

# ENVIRONMENTAL PACKAGE POLICY COMMON POLICY DECLARATIONS

COLONY INSURANCE COMPANY  
8720 STONY POINT PARKWAY  
SUITE 300  
RICHMOND, VA 23235

Underwritten by Argo Pro

This contract is registered and delivered as a surplus line coverage under the insurance code of the state of Washington enacted in 1947. It is not issued by a company regulated by the Washington state insurance commissioner and is not protected by any Washington state guaranty fund law.  
New Day Underwriting Managers LLC/Jeffrey S. Lejter

POLICY NUMBER:  
PKC300299

RENEWAL OF POLICY NUMBER:

PROGRAM CODE:  
PKC

1. NAMED INSURED(S) AND MAILING ADDRESS:

PACIFIC PILE & MARINE, L.P.  
SALT AIR EQUIPMENT, LLC; BRACKISH  
PROPERTIES, LLC  
582 S. RIVERSIDE DR.  
SEATTLE, WA 98108

PRODUCER: 29030

NEW DAY UNDERWRITING MANAGERS, LLC  
33 THIRD STREET, SUITE 201  
BORDENTOWN, NJ 08505

BUSINESS DESCRIPTION: MARINE CONTRUCTION

2. POLICY PERIOD: Effective Date: 06/09/2010 Expiration Date: 06/09/2011  
At 12:01 A.M. Standard Time at the mailing address shown above.

3. In return for your payment of the premium, and in reliance upon the statements and representations in the insured(s) application(s) for this insurance, we agree with you to provide insurance subject to the terms of the policy.

COVERAGES

LIMITS OF INSURANCE

AS RESPECTS THE LIMITS OF INSURANCE REFERENCED BELOW, NO COVERAGE IS PROVIDED UNLESS SUCH COVERAGE IS PURCHASED; A CORRESPONDING LIMIT OF INSURANCE IS STATED; AND A CORRESPONDING COVERAGE PART IS ATTACHED TO THESE DECLARATIONS.

Policy Aggregate Limit (Other than Products-Completed Operations)	Surplus Line Assoc. of Wash.	\$ 5,000,000.00
Products-Completed Operations Aggregate Limit:		\$ N/A
Insuring Agreements:	Tax % <u>2%</u>	
A - Bodily Injury And Property Damage Liability Limit:	Fee % <u>1.25%</u>	\$ N/A
B - Personal And Advertising Injury Limit:		\$ N/A
Each Occurrence Limit:	Policy eff. date <u>6/9/10</u>	\$ N/A
Damage To Premises Rented to You Limit:		\$ N/A
C - Medical Expense Limit:	End eff. date _____	\$ N/A
D - Contractors Pollution Liability Each Pollution Condition Limit:	SLA Code _____	\$ 5,000,000.00
E - Errors And Omissions Each Claim Limit:		\$ 5,000,000.00
F - Third Party Pollution Liability Each Pollution Condition Limit:	Carrier <u>Colony Insurance</u>	\$ 5,000,000.00
G - Cleanup Costs - Your Location Each Pollution Condition Limit:	SLA Broker No. <u>221</u>	\$ 5,000,000.00

Other limits of liability may be indicated on attached coverage forms or endorsements

RETROACTIVE DATE

		Premium	\$49,324.00
Commercial General Liability Coverage Part:	N/A	Surplus Lines Tax	\$986.48
Contractors Pollution Liability Coverage Part:	N/A	Stamping Fee	\$123.31
Errors And Omissions Liability Coverage Part:	SEE IL1201-1185	Broker Policy Fee	\$0
Third Party Pollution Liability Coverage Part:	06/09/2010	Insurer Fees	\$0
Cleanup Costs - Your Location Coverage Part:	06/09/2010	Total	\$50,433.79

EVDEC-0809

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**DEDUCTIBLE**

4. **DEDUCTIBLE:** \$ See Deductible Endorsement  
Coverage parts may have separate deductibles.  
Please review any applicable endorsements for specific deductible application.

**PREMIUMS / FEES**

5. **PREMIUM:** \$ 46,975.00  
☐ Premium Charge for Certified Acts of Terrorism Coverage (Per Policyholder Disclosure TRIA2002Notice attached); or \$ 2,349.00  
☒ Coverage for Certified Acts of Terrorism Rejected; Exclusion attached (Per Policyholder Disclosure TRIA2002Notice attached)  
**Total Annual Premium - Payable at Inception** \$ 49,324.00
6. **FORMS APPLICABLE TO ALL COVERAGES:**  
See Form U001-Schedule of Forms and Endorsements
7. **AUDIT PERIOD:**  
☐ Annual ☐ Semi-Annual ☐ Quarterly ☐ Monthly ☒ Other-Flat ☐ Policy Expiration

THESE DECLARATIONS TOGETHER WITH THE INSURANCE COVERAGE PART(S), COMMON POLICY PROVISIONS, AND ENDORSEMENTS, IF ANY, ISSUED TO FORM A PART THEREOF, COMPLETE THE ABOVE NUMBERED POLICY.

COUNTERSIGNED:

Date

BY:

Authorized representative or countersignature, whichever applies

ISSUED 06/29/2010 TD





*Colony Insurance Company  
Colony National Insurance Company  
Colony Specialty Insurance Company*

## **PRIVACY NOTICE**

Privacy is important to us. We understand that consumers really care about their privacy and want it to be protected. We are committed to safeguarding nonpublic personal information we collect about our consumers.

We treat personal information carefully and take steps to assure that it remains private. We allow only authorized employees to have access to personal information. We maintain physical, electronic and procedural security protections to safeguard the information in our records.

In order to conveniently and effectively provide and service the insurance products we sell, we may collect and use personal information from consumers on applications or other forms; from our transactions with consumers, such as payment and claims history; and from third parties, such as credit reports, driving and medical records, and claims history.

Except as required or permitted by law, we do not share personal information outside our company without obtaining the consumer's permission.

Keeping consumer information accurate and up to date is important to us. Consumers may see and request correction of personal information about them in our files, or contact us with questions about our privacy policy by writing to Privacy Coordinator, Colony Group, PO Box 85122, Richmond, Virginia 23285.

## POLICYHOLDER DISCLOSURE NOTICE OF TERRORISM INSURANCE COVERAGE

You are hereby notified that under the Terrorism Risk Insurance Act, as amended, that you have a right to purchase insurance coverage for losses resulting from acts of terrorism, *as defined in Section 102(1) of the Act*: The term "act of terrorism" means any act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism; to be a violent act or an act that is dangerous to human life, property, or infrastructure; to have resulted in damage within the United States, or outside the United States in the case of certain air carriers or vessels or the premises of a United States mission; and to have been committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

YOU SHOULD KNOW THAT WHERE COVERAGE IS PROVIDED BY THIS POLICY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM, SUCH LOSSES MAY BE PARTIALLY REIMBURSED BY THE UNITED STATES GOVERNMENT UNDER A FORMULA ESTABLISHED BY FEDERAL LAW. HOWEVER, YOUR POLICY MAY CONTAIN OTHER EXCLUSIONS WHICH MIGHT AFFECT YOUR COVERAGE, SUCH AS AN EXCLUSION FOR NUCLEAR EVENTS. UNDER THE FORMULA, THE UNITED STATES GOVERNMENT GENERALLY REIMBURSES 85% OF COVERED TERRORISM LOSSES EXCEEDING THE STATUTORILY ESTABLISHED DEDUCTIBLE PAID BY THE INSURANCE COMPANY PROVIDING THE COVERAGE. THE PREMIUM CHARGED FOR THIS COVERAGE IS PROVIDED BELOW AND DOES NOT INCLUDE ANY CHARGES FOR THE PORTION OF LOSS COVERED BY THE FEDERAL GOVERNMENT UNDER THE ACT.

YOU SHOULD ALSO KNOW THAT THE TERRORISM RISK INSURANCE ACT, AS AMENDED, CONTAINS A \$100 BILLION CAP THAT LIMITS U.S. GOVERNMENT REIMBURSEMENT AS WELL AS INSURER'S LIABILITY FOR LOSSES RESULTING FROM CERTIFIED ACTS OF TERRORISM WHEN THE AMOUNT OF SUCH LOSSES IN ANY ONE CALENDAR YEAR EXCEEDS \$100 BILLION. IF THE AGGREGATE INSURED LOSSES FOR ALL INSURERS EXCEED \$100 BILLION, YOUR COVERAGE MAY BE REDUCED.

PLEASE ALSO BE AWARE THAT YOUR POLICY DOES NOT PROVIDE COVERAGE FOR ACTS OF TERRORISM THAT ARE NOT CERTIFIED BY THE SECRETARY OF THE TREASURY.

### Acceptance or Rejection of Terrorism Insurance Coverage

You must accept or reject this insurance coverage for losses arising out of acts of terrorism, *as defined in Section 102(1) of the Act*, before the effective date of this policy. Your coverage cannot be bound unless our representative has received this form signed by you on behalf of all insureds with all premiums due.

☒ **Coverage acceptance:**

I hereby elect to purchase coverage for certified acts of terrorism, *as defined in Section 102(1) of the Act* for a Prospective annual premium of 5% of the total policy premium, subject to \$100 minimum. I understand that I will not have coverage for losses arising from any non-certified acts of terrorism.

OR

☐ **Coverage rejection:**

I hereby decline to purchase coverage for certified acts of terrorism, *as defined in Section 102(1) of the Act*. I understand that I will not have coverage for any losses arising from either certified or non-certified acts of terrorism.

Signature On File

Policyholder/Applicant's Signature-  
Must be person authorized to sign for all Insureds.

On File

Print Name

PACIFIC PILE & MARINE, L.P.  
SALT AIR EQUIPMENT, LLC; BRACKISH

Named Insured

On File

Date

COLONY INSURANCE COMPANY

Insurance Company

PKC300299

Policy Number

On File

Submission Number

29030

Producer Number

NEW DAY UNDERWRITING MANAGERS, LLC

Producer Name

33 THIRD STREET, SUITE 201

Street Address

BORDENTOWN, NJ 08505

City, State, Zip

The producer shown above is the wholesale insurance broker your insurance agent used to place your insurance coverage with us. Please discuss this Disclosure with your agent before signing.



IN WITNESS WHEREOF, the Company has caused this policy to be signed by its President and Secretary as duly authorized representatives of the Company.

*Barbara L. Sutherland*

Barbara L. Sutherland, President

*Craig Comeaux*

Craig Comeaux, Secretary

**Colony Insurance Company**  
**Colony Specialty Insurance Company**  
**Colony National Insurance Company**  
8720 Stony Point Parkway, Suite 300  
Richmond, VA 23235

Insured: PACIFIC PILE & MARINE, L.P.  
Policy Number: PKC300299

U001 (10/04)

## SCHEDULE OF FORMS AND ENDORSEMENTS

Forms and Endorsements applying to and made part of this policy at the time of issuance:

NUMBER	TITLE
FORMS APPLICABLE -	ENVIRONMENTAL PACKAGE POLICY COMMON POLICY DECLARATIONS
EV0001-0410	COMMON POLICY PROVISIONS
EV0004-0709	CONTRACTORS POLLUTION LIABILITY COVERAGE PART
EV0005-0709	CONTRACTORS POLLUTION LIABILITY COVERAGE PART
EV0006-0609	ERRORS AND OMISSIONS LIABILITY COVERAGE PART
EV0007-0609	THIRD PARTY POLLUTION LIABILITY COVERAGE PART
EV0008-0609	CLEANUP COSTS - YOUR LOCATION COVERAGE PART
EV100-0609	MINIMUM PREMIUM AND MINIMUM RETAINED PREMIUM
EV101-0609	DEDUCTIBLE LIABILITY
EV103-0609	TOTAL MOLD EXCLUSION
EV104-0110	MOLD GIVEBACK DEFINITION
EV106-0609	ADDITIONAL INSURED - OWNERS, LESSEES OR CONTRACTORS
EV119-0809	COVERAGE RESTRICTION TO RELEASE FROM SCHEDULED ABOVEGROUND STORAGE TANKS
EV120-0609	LOADING OR UNLOADING OF WATERCRAFT AND AUTOMOBILES AT COVERED LOCATION(S)
EV128-0609	CANCELLATION BY US
EV151-0609	PUNITIVE DAMAGES WHERE ALLOWABLE BY LAW
EV155-0110	PRIMARY AND NON-CONTRIBUTORY ADDITIONAL INSURED WITH WAIVER OF SUBROGATION
EV159-0609	INDEPENDENT CONTRACTORS CONDITIONAL EXCLUSION
EV163-0809	TRANSPORTATION POLLUTION LIABILITY BLANKET ENDORSEMENT
EV165A-0110	LIMITED TERRORISM EXCLUSION (OTHER THAN CERTIFIED ACTS OF TERRORISM)
EV240-0909	COVERED LOCATIONS ENDORSEMENT
IL1201-1185	POLICY CHANGES
INCCI-1208	IMPORTANT POLICYHOLDER INFORMATION
PRIVACYNOTICE-0408	PRIVACY NOTICE
TRIANOTICEENV-0108	POLICYHOLDER DISCLOSURE-NOTICE OF TERRORISM INSURANCE COVERAGE
U094-0702	SERVICE OF SUIT
ZPJCG-0909	POLICY JACKET

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **SERVICE OF SUIT**

Service of process may be made upon the Company to:

Claims Manager  
Colony Insurance Company,  
Colony National Insurance Company, or  
Colony Specialty Insurance Company  
8720 Stony Point Parkway, Suite 300  
Richmond, Virginia 23235

Where required by statute, regulation or other regulatory directive, the Company appoints the Commissioner of Insurance, or other designee specified for that purpose, as its attorney for acceptance of service of all legal process in the state in any action or proceeding arising out of this insurance.

The Commissioner or other designee is requested to forward process to the Company as shown above, or if required in his/her particular state, to a designated resident agent for service of process.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

# COMMON POLICY PROVISIONS

**THIS POLICY MAY CONTAIN BOTH CLAIMS-MADE AND OCCURRENCE COVERAGE.  
PLEASE READ THE ENTIRE FORM CAREFULLY.**

A complete policy consists of a Declarations Page, Common Policy Provisions and at least one Coverage Part. Various provisions in this Policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Throughout this Policy the words "you" and "your" refer to the Named Insured shown in the Declarations, and any other person or organization qualifying as a Named Insured under this Policy. The words "we", "us" and "our" refer to the Company providing this insurance. The word "insured" means any person or organization qualifying as such under Section III – Who Is An Insured.

Other words and phrases that appear in quotation marks have special meaning. Refer to Section VII – Common Definitions as well as any Additional Definitions within the Coverage Parts attached to these Common Policy Provisions.

In consideration of payment of the premium, in reliance upon the statements in the application (and all attachments and materials submitted therewith), and subject to all the provisions of this Policy, we agree with you as follows:

## **SECTION I – DEFENSE**

### **1. Commercial General Liability**

If Commercial General Liability coverage is purchased and the Commercial General Liability Coverage Part is attached to these Common Policy Provisions, the following provisions apply to **Insuring Agreement A – Bodily Injury And Property Damage** and **Insuring Agreement B – Personal And Advertising Injury**:

- a. We will have the right and duty to defend the insured against any "suit" seeking "damages" to which this insurance applies. However, we will have no duty to defend the insured against any "suit" seeking "damages" for "bodily injury", "property damage" or "personal and advertising injury" to which this insurance does not apply.
- b. Our right and duty to defend ends when we have used up the applicable limit of liability in the payment of judgments or settlements under **Insuring Agreements A and B** or medical expenses under **Insuring Agreement C**. "Defense expenses" incurred by us under the Commercial General Liability Coverage Part will not reduce the Limits Of Insurance.

- c. The Each Occurrence Limit indicated in the Declarations is the most we will pay for all "damages" for each "claim" covered.

### **2. Contractors Pollution Liability, Errors And Omissions Liability And Third Party Pollution Liability**

If one or more of **Contractors Pollution Liability, Errors And Omissions Liability** or **Third Party Pollution Liability** is purchased and the corresponding Coverage Part is attached to these Common Policy Provisions, the following provisions apply to **Insuring Agreement D – Contractors Pollution Liability, Insuring Agreement E – Errors And Omissions Liability** and **Insuring Agreement F – Third Party Pollution Liability**:

- a. We will have the right and duty to defend the insured against any "suit" seeking "damages" to which this insurance applies. However, we will have no duty to defend the insured against any "suit" seeking "damages" for "bodily injury", "property damage", "wrongful acts", "pollution conditions" or "cleanup costs" to which this insurance does not apply.
  - b. Our right and duty to defend ends when we have used up the applicable limit of liability in the payment of:
    - (1) Judgments, settlements or "defense expenses" under **Insuring Agreements D and E**; or
    - (2) Judgments, settlements, "defense expenses" or "cleanup costs" under **Insuring Agreement F**.
  - c. "Defense expenses" applicable to **Insuring Agreements D, E, and F** are included within the limits of insurance. The Each Claim Limit or Each Pollution Condition Limit, whichever applies, indicated in the Declarations is the most we will pay for all "damages", "defense expenses" and, if applicable, "cleanup costs", for each "claim" covered.
- ### **3. Claims Arising Out Of The Same, Related, or Series Of Related Events, etc.**

The following provision applies only to any Coverage Part(s) purchased and made a part of this Policy in which coverage is written on a claims-made and reported basis:



Two or more "claims" arising out of the same, related or series of related acts, errors, omissions, circumstances, transactions or events shall be treated as a single "claim" and shall be considered first made on the date on which the earliest such "claim" was first made.

## SECTION II – SUPPLEMENTARY PAYMENTS

Providing that coverage is purchased and the corresponding Coverage Part is attached to these Common Policy Provisions, the following provisions apply to **Insuring Agreement A – Bodily Injury And Property Damage, Insuring Agreement B – Personal And Advertising Injury, Insuring Agreement D – Contractors Pollution Liability, Insuring Agreement E – Errors And Omissions Liability, and Insuring Agreement F – Third Party Pollution Liability:**

1. We will pay, with respect to any "claim" we investigate or settle or any "suit" against an insured we defend:
    - a. Up to \$250 for cost of bail bonds required because of accidents or traffic law violations arising out of the use of any vehicle to which the Bodily Injury Liability Coverage applies. We do not have to furnish these bonds.
    - b. The cost of bonds to release attachments, but only for bond amounts within the applicable limit of insurance. We do not have to furnish these bonds.
    - c. All reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the "claim" or "suit", including actual loss of earnings up to \$250 a day because of time off from work.
    - d. All costs taxed against the insured in the "suit".
    - e. Prejudgment interest awarded against the insured on that part of the judgment we pay. If we make an offer to pay the applicable limit of insurance, we will not pay any prejudgment interest based on that period of time after the offer.
    - f. All interest on the full amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable limit of insurance.
  2. If we defend an insured against a "suit" and an indemnitee of the insured is also named as a party to the "suit", we will defend that indemnitee if all of the following conditions are met:
    - a. The "suit" against the indemnitee seeks "damages" for which the insured has assumed the liability of the indemnitee in a contract or agreement that is an "insured contract";
    - b. This insurance applies to such liability assumed by the insured;
    - c. The obligation to defend, or the cost of the defense of, that indemnitee, has also been assumed by the insured in the same "insured contract";
    - d. The allegations in the "suit" and the information we know about the "occurrence", offense, "wrongful act" or "pollution condition" are such that no conflict appears to exist between the interests of the insured and the interests of the indemnitee;
    - e. The indemnitee and the insured ask us to conduct and control the defense of that indemnitee against such "suit" and agree that we can assign the same counsel to defend the insured and the indemnitee; and
    - f. The indemnitee:
      - (1) Agrees in writing to:
        - (a) Cooperate with us in the investigation, settlement or defense of the "suit";
        - (b) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "suit";
        - (c) Notify any other insurer whose coverage is available to the indemnitee; and
        - (d) Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee; and
      - (2) Provides us with written authorization to:
        - (a) Obtain records and other information related to the "suit"; and
        - (b) Conduct and control the defense of the indemnitee in such "suit".
- Subject to the foregoing conditions, "defense expenses" incurred by us in the defense of that indemnitee, necessary litigation expenses incurred by us and necessary litigation expenses incurred by the indemnitee at our request will be paid as Supplementary Payments.
- Our obligation to defend an insured's indemnitee and to pay "defense expenses" ends when:
- a. We have used up the applicable limit of insurance in the payment of judgments or settlements; or
  - b. The conditions set forth above, or the terms of the agreement described in Paragraph f. above, are no longer met.

These Supplementary Payments will not reduce the limits of insurance.

### SECTION III – WHO IS AN INSURED

1. If you are designated in the Declarations as:

- a. An individual, you and your spouse are insureds, but only with respect to the conduct of a business of which you are the sole owner.
- b. A partnership or joint venture, you are an insured. Your members, your partners, and their spouses are also insureds, but only with respect to the conduct of your business.
- c. A limited liability company, you are an insured. Your members are also insureds, but only with respect to the conduct of your business. Your managers are insureds, but only with respect to their duties as your managers.
- d. An organization other than a partnership, joint venture or limited liability company, you are an insured. Your "executive officers" and directors are insureds, but only with respect to their duties as your "executive officers" or directors. Your stockholders are also insureds, but only with respect to their liability as stockholders.
- e. A trust, you are an insured. Your trustees are also insureds, but only with respect to their duties as trustees.

2. Each of the following is also an insured:

- a. Your "volunteer workers" only while performing duties related to the conduct of your business, or your "employees", other than either your "executive officers" (if you are an organization other than a partnership, joint venture or limited liability company) or your managers (if you are a limited liability company), but only for acts within the scope of their employment by you or while performing duties related to the conduct of your business. However, none of these "employees" or "volunteer workers" are insureds for:

(1) "Bodily injury" or "personal and advertising injury":

- (a) To you, to your partners or members (if you are a partnership or joint venture), to your members (if you are a limited liability company), to a co-"employee" while in the course of his or her employment or performing duties related to the conduct of your business, or to your other "volunteer workers" while performing duties related to the conduct of your business;

- (b) To the spouse, child, parent, brother or sister of that co-"employee" or

"volunteer worker" as a consequence of Paragraph (1)(a) above; or

- (c) For which there is any obligation to share "damages" with or repay someone else who must pay "damages" because of the injury described in Paragraphs (1)(a) or (b) above.

(2) "Property damage" to property:

- (a) Owned, occupied or used by; or
- (b) Rented to, in the care, custody or control of, or over which physical control is being exercised for any purpose by;

you, any of your "employees", "volunteer workers", any partner or member (if you are a partnership or joint venture), or any member (if you are a limited liability company).

- b. Any person (other than your "employee" or "volunteer worker") or any organization while acting as your real estate manager.

- c. Any person or organization having proper temporary custody of your property if you die, but only:

- (1) With respect to liability arising out of the maintenance or use of that property; and

- (2) Until your legal representative has been appointed.

- d. Your legal representative if you die, but only with respect to duties as such. That representative will have all your rights and duties under this Policy.

3. Any organization you newly acquire or form, other than a partnership, joint venture or limited liability company, and over which you maintain ownership or majority interest, will qualify as a Named Insured if there is no other similar insurance available to that organization. However:

- a. Coverage under this provision is afforded only until the 90th day after you acquire or form the organization or the end of the "policy period", whichever is earlier;

- b. Insuring Agreement A does not apply to "bodily injury" or "property damage" that occurred before you acquired or formed the organization;

- c. Insuring Agreement B does not apply to "personal and advertising injury" arising out of an offense committed before you acquired or formed the organization;

- d. Insuring Agreement D does not apply to "occurrences" taking place before you acquired or formed the organization;
- e. Insuring Agreement E does not apply to "wrongful acts" committed before you acquired or formed the organization;
- f. Insuring Agreement F does not apply to "pollution conditions" that took place before you acquired or formed the organization; and
- g. Insuring Agreement G does not apply to "pollution conditions" that took place before you acquired or formed the organization.

No person or organization is an insured with respect to the conduct of any current or past partnership, joint venture or limited liability company that is not shown as a Named Insured in the Declarations.

#### SECTION IV – LIMITS OF INSURANCE AND DEDUCTIBLE

1. The Limits of Insurance shown in the Declarations and the rules below limit the most we will pay regardless of the number of:
  - a. Insureds;
  - b. "Claims" made or "suits" brought;
  - c. Persons or organizations making "claims" or bringing "suits"; or
  - d. "pollution conditions".
2. Our liability for each "claim" covered under this Policy shall not exceed the amount stated in the Declarations as the Each Claim, Each Occurrence or Each Pollution Condition Limit of Insurance, as applicable.
3. Subject to the Each Claim, Each Occurrence or Each Pollution Condition provision set forth in 2., above, the Policy Aggregate Limit stated in the Declarations is the most we will pay under this Policy for the sum of all:
  - a. "Damages" under Insuring Agreement A, except "damages" because of "bodily injury" or "property damage" included in the "products-completed operations hazard";
  - b. "Damages" under Insuring Agreement B;
  - c. Medical expenses under Insuring Agreement C;
  - d. "Damages" and "defense expenses" under Insuring Agreement D;
  - e. "Damages" and "defense expenses" under Insuring Agreement E;
  - f. "Damages", "defense expenses" and "cleanup costs" under Insuring Agreement F; and
  - g. "Cleanup costs" under Insuring Agreement G.
4. The Products-Completed Operations Aggregate Limit is the most we will pay under Insuring Agreement A for "damages" because of "bodily injury" and "property damage" included in the "products-completed operations hazard".
5. The Personal And Advertising Injury Limit is the most we will pay under Insuring Agreement B for "damages" because of all "personal and advertising injury" sustained by any one person or organization.
6. The Contractors Pollution Liability Each Pollution Condition Limit indicated in the Declarations is the most we will pay under Insuring Agreement D for the sum of all "damages" and "defense expenses" resulting from all "bodily injury" or "property damage" arising out of any one "pollution condition".
7. The Errors And Omissions Liability Each Claim Limit indicated in the Declarations is the most we will pay under Insuring Agreement E for the sum of all "damages" and "defense expenses" resulting from any one "wrongful act".
8. The Third Party Pollution Liability Each Pollution Condition Limit indicated in the Declarations is the most we will pay under Insuring Agreement F for the sum of all "damages", "defense expenses" and "cleanup costs" resulting from any one "pollution condition" at, on, or emanating from your "location(s)".
9. The Cleanup Costs – Your Location(s) Each Pollution Condition Limit indicated in the Declarations is the most we will pay under Insuring Agreement G for the sum of all "cleanup costs" resulting from any one "pollution condition" at, on or within your "location(s)".
10. Subject to 4. above, the Each Occurrence Limit, as applicable, is the most we will pay for the sum of:
  - a. "Damages" under Insuring Agreement A; and
  - b. Medical expenses under Insuring Agreement C;
 because of all "bodily injury" and "property damage" arising out of any one "occurrence".
11. Subject to 10. above, the Damage To Premises Rented To You Limit is the most we will pay under Insuring Agreement A for "damages" because of "property damage" to any one premises, while rented to you, or in the case of damage by fire, while rented to you or temporarily occupied by you with permission of the owner.
12. Subject to 10. above, the most we will pay under Insuring Agreement C for "bodily injury" directly or indirectly caused by or resulting from an accident, sustained by any one person, and to which this

insurance applies, is the amount indicated in the Declarations as the Medical Expense Limit.

The Medical Expense Limit is the most we will pay for the sum of all medical expenses under Insuring Agreement C regardless of how many "occurrences" or the number of insureds.

This Limit of Insurance is subject to, and not in addition to, the Policy Aggregate Limit shown in the Declarations. Payments made under the Medical Expense Limit are part of and erode the Policy Aggregate Limit indicated in the Declarations.

13. The Limits of Insurance of this Policy apply separately to each "policy period" and to any remaining period of less than twelve (12) months, starting with the beginning of the "policy period" shown in the Declarations, unless the "policy period" is extended after issuance for an additional period of less than twelve (12) months. In that case, the additional period will be deemed part of the last preceding period for the purposes of determining the Limits of Insurance.

14. The Deductible as stated in the Declarations shall apply to each "claim". The Deductible shall first be applied to "defense expenses" incurred on your behalf. Any remaining amount of the Deductible after payment of "defense expenses" shall be applied to "damages" or settlement of a "claim".

With respect to **Insuring Agreement D – Contractors Pollution Liability** only, the Deductible Amount applies once to each "pollution condition" and can be applied either for "defense expenses", settlement, compromise, or indemnification.

15. We, at our sole election and option, may either:

- a. Pay any part or all of the Deductible amount to effect settlement of any "claim", and upon notification of the action taken, you shall promptly reimburse us for such part of the Deductible amount as has been paid by us; or
- b. Simultaneously upon receipt of notice of any "claim" or at any time thereafter, call upon you to pay or deposit with us all or any part of the Deductible amount, to be held and applied by us as herein provided.

## SECTION V – COMMON EXCLUSIONS

The following exclusions apply to all Coverage Parts attached to this Policy except where specifically noted:

This Policy does not apply to any "claim":

### 1. Aircraft, Auto Or Watercraft

Based upon or arising out of any liability arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or

watercraft owned or operated by or rented or loaned to any insured. Use includes operation and "loading or unloading".

This exclusion applies even if the "claims" against any insured allege negligence or other wrongdoing in the supervision, hiring, employment, training or monitoring of others by that insured, if the "occurrence" which caused the "bodily injury" or "property damage" involved the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft that is owned or operated by or rented or loaned to any insured.

This exclusion does not apply to:

- a. A watercraft while ashore on premises you own or rent;
- b. A watercraft you do not own that is:
  - (1) Less than twenty-six (26) feet long; and
  - (2) Not being used to carry persons or property for a charge;
- c. Parking an "auto" on, or on the ways next to, premises you own or rent, provided the "auto" is not owned by or rented or loaned to you or the insured;
- d. Liability assumed under any "insured contract" for the ownership, maintenance or use of aircraft or watercraft; or
- e. "Bodily injury" or "property damage" arising out of:
  - (1) The operation of machinery or equipment that is attached to, or part of, a land vehicle that would qualify under the definition of "mobile equipment" if it were not subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged; or
  - (2) The operation of any of the machinery or equipment listed in Paragraph f.(2) or f.(3) of the definition of "mobile equipment".

### 2. Contractual Liability

Based upon or arising out of any liability for which the insured is obligated to pay "damages" by reason of the assumption of liability in a contract or agreement. This exclusion does not apply to liability for "damages":

- a. That the insured would have in the absence of the contract or agreement; or
- b. Assumed in a contract or agreement that is an "insured contract", provided the "bodily injury" or "property damage" occurs subsequent to the execution of the contract or agreement. Solely for the purposes of liability assumed in

an "insured contract", reasonable attorney fees and necessary litigation expenses incurred by or for a party other than an insured are deemed to be "damages" because of "bodily injury" or "property damage", provided:

- (1) Liability to such party for, or for the cost of, that party's defense has also been assumed in the same "insured contract"; and
- (2) Such attorney fees and litigation expenses are for defense of that party against a civil or alternative dispute resolution proceeding in which "damages" to which this insurance applies are alleged.

This exclusion only applies to Insuring Agreements A and D.

### 3. Criminal, Fraudulent Or Dishonest Acts

Based upon or arising out of:

- a. Any criminal, fraudulent, or dishonest act, omission or offense; however, we shall defend any allegations concerning this item a., against any insured if such allegations involve a "claim" to which this insurance otherwise applies until judgment or other final adjudication establishes, or if such insured admits, that such act, omission or offense was committed, or personally acquiesced in, by such insured;
- b. Any act, omission or offense committed with knowledge of its wrongful nature or with the intent to cause damage;
- c. The gaining by any insured of any personal profit, gain or advantage to which the insured is not legally entitled; or
- d. Violation of the provisions of the Racketeer Influenced and Corrupt Organization Act 18 USC Sections 1961 et seq.

### 4. Cross Suits

Brought by any Named Insured against any other Named Insured.

### 5. Employer's Liability

Based upon or arising out of "bodily injury" to:

- a. An "employee" of the insured arising out of and in the course of:
  - (1) Employment by the insured; or
  - (2) Performing duties related to the conduct of the insured's business; or
- b. The spouse, child, parent, brother or sister of that "employee" as a consequence of Paragraph a. above.

This exclusion applies whether the insured may be liable as an employer or in any other capacity and to any obligation to share "damages" with or repay someone else who must pay "damages" because of the injury.

This exclusion does not apply to liability assumed by the insured under an "insured contract".

### 6. Employment-Related Practices

Based upon or arising out of any liability to:

- a. A person arising out of any:
  - (1) Refusal to employ that person;
  - (2) Termination of that person's employment; or
  - (3) Employment-related practices, policies, acts or omissions, including allegations of discrimination by the insured against any person on the basis of age, color, race, sex, creed, national origin, marital status, handicap, physical disability, sexual preference or allegations of coercion, demotion, negative performance evaluation, reassignment, discipline, defamation, harassment, humiliation, assault, or battery; or
- b. The spouse, child, parent, brother or sister of that person as a consequence of an injury to that person at whom any of the employment-related practices described in Paragraphs (1), (2), or (3) above is directed.

This exclusion applies whether the insured may be liable as an employer or in any other capacity; and to any obligation to share "damages" with or repay someone else who must pay "damages" because of injury.

### 7. Executive Officer

Based upon or arising out of any liability arising from your services and/or capacity as an "executive officer", director, partner, trustee or "employee" of a business enterprise not named in the Declarations.

### 8. Nuclear Energy Liability

Based upon or arising out of:

- a. Any liability coverage:
  - (1) With respect to which an insured under the policy is also an insured under a nuclear energy liability policy issued by Nuclear Energy Liability Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an insured under

any such policy but for its termination upon exhaustion of its limit of liability; or

(2) Resulting from the "hazardous properties" of "nuclear material" and with respect to which:

(a) any person or organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any law amendatory thereof; or

(b) the insured is, or had this Policy not been issued would be, entitled to indemnity from the United States of America, or any agency thereof, under any agreement entered into by the United States of America, or any agency thereof, with any person or organization.

b. Under any medical payments coverage, to expenses incurred with respect to "bodily injury" resulting from the "hazardous properties" of "nuclear material" and arising out of the operation of a "nuclear facility" by any person or organization.

c. Under any liability coverage, to "bodily injury" or "property damage" resulting from "hazardous properties" of "nuclear material", if:

(1) The "nuclear material":

(a) is at any "nuclear facility" owned by, or operated by or on behalf of, an insured; or

(b) has been discharged or dispersed therefrom;

(2) The "nuclear material" is contained in "spent fuel" or "waste" at any time possessed, handled, used, processed, stored, transported or disposed of, by or on behalf of an insured; or

(3) The "bodily injury" or "property damage" arises out of the furnishing by an insured of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any "nuclear facility", but if such facility is located within the United States of America, its territories or possessions or Canada, this item c. applies only to "property damage" to such "nuclear facility" and any property thereat.

As used in this exclusion only, "property damage" includes all forms of radioactive contamination of property.

## 9. Other Enterprises

Based upon or arising out of any liability arising out of any business enterprise owned, operated or managed by any insured or its parent company or the affiliate, successor or assignee of such company not named in the Declarations.

## 10. Workers Compensation And Similar Laws

Based upon or arising out of any obligation of any insured under a workers' compensation, disability benefits or unemployment compensation law or any similar law.

Exclusions 1., 5., and 10., above, do not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section IV – Limits Of Insurance And Deductible within the Common Policy Provisions and indicated in the Declarations.

## SECTION VI – COMMON CONDITIONS

### 1. Audits and Minimum Retained Premium

Audits will not reduce the "minimum retained premium". The due date for audit premiums is the date shown as the due date on the bill.

### 2. Bankruptcy

Bankruptcy or insolvency of the insured or of the insured's estate will not relieve us of our obligations under this Policy.

### 3. Cancellation And Nonrenewal

This Policy may be cancelled by the First Named Insured by surrender thereof to us or by mailing to us written notice stating when thereafter the cancellation shall be effective. We may cancel or nonrenew this Policy by mailing a written notice to the First Named Insured at the address shown in the Declarations of this Policy. The mailing of notice of cancellation shall be sufficient notice and the effective date of cancellation stated in such notice shall become the end of the "policy period". The effective dates of such cancellation shall be not less than thirty (30) days (ten (10) days for non-payment of premium) following mailing of the notice of cancellation to the First Named Insured. The time of surrender or the effective date of cancellation stated in the notice shall become the end of the "policy period".

Delivery of such written notice either by the First Named Insured or by us shall be equivalent to mailing. If this Policy is issued to comply with any law or regulation that requires notice of cancellation or nonrenewal to any governmental body, cancellation or nonrenewal shall not be effective until the required notice has been provided by you or us.



This Policy is subject to short-rate cancellation should you cancel the policy. Subject to such short-rate cancellation, the applicable unearned premium shall be returned to the First Named Insured as soon as practicable following the effective date of the cancellation. Premium adjustment may be made either at the time cancellation is effective or as soon as practicable after cancellation becomes effective, but payment or tender of unearned premium is not a condition of the effective date of the cancellation. If we cancel this Policy for any reason other than for non-payment of premium, we will return to you the pro rata amount of the unearned premium.

#### **4. Changes**

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this Policy with our consent. This Policy's terms can be amended or waived only by endorsement issued by us and made a part of this Policy.

#### **5. Duties In The Event Of A Claim Or Suit**

The duties outlined in this Condition apply to Insuring Agreements A, B, D, E, and F, only:

- a. If a "claim" is received by any insured, you must:
  - (1) Immediately record the specifics of the "claim" and the date received; and
  - (2) Notify us as soon as practicable.
- b. You and any other involved insured must:
  - (1) Immediately send us copies of any demands, notices, summonses or legal papers received in connection with the "claim";
  - (2) Authorize us to obtain records and other information;
  - (3) Cooperate with us in the investigation or settlement of the "claim" or defense against the "suit", if applicable; and
  - (4) Assist us, upon our request, in the enforcement of any right against any person or organization which may be liable to any insured and to which this insurance may also apply.
- c. No insured will, except at that insured's own cost, voluntarily make a payment, assume any obligation, or incur any expense, other than for first aid, without our consent.

#### **6. Duties In The Event Of A Potential Claim**

The duties outlined in this Condition apply to Insuring Agreements A, B, D, E, and F, only:

If, during the "policy period", you first become aware of an "occurrence", offense, "wrongful act" or "pollution condition" that reasonably may result in a "claim" against you, then you may provide written notice to us about that "occurrence", offense, "wrongful act" or "pollution condition". If such notice is received by us during the "policy period", then any "claim" subsequently made against you resulting from that "occurrence", offense, "wrongful act" or "pollution condition" shall be deemed, for the purposes of this insurance, to have been made on the date such written notice is received by us. This provision shall not apply to, nor shall the reporting of "occurrences", offenses, "wrongful acts", "pollution conditions" or potential "claims" be permitted during any Extended Reporting Period.

If you notify us of a potential "claim", such notice must include:

- a. A description of the "occurrence", offense, "wrongful act" or "pollution condition" that took place including the date and where it occurred;
- b. The names and addresses of any persons involved and any witnesses;
- c. The nature and location of any injury or damage that has or may result from the "occurrence", offense, "wrongful act" or "pollution condition"; and
- d. Why any insured believes that the "occurrence", offense, "wrongful act" or "pollution condition" may result in a "claim".

#### **7. Headings**

The description contained within the headings and subheadings of this Policy are provided solely for convenience. The headings form no part of the terms and conditions of coverage provided hereunder.

#### **8. Inspections And Surveys**

- a. We have the right to:
  - (1) Make inspections and surveys at any time;
  - (2) Give you reports on the conditions we find; and
  - (3) Recommend changes.
- b. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
  - (1) Are safe or healthful; or

- (2) Comply with laws, regulations, codes or standards.

## 9. Legal Action Against Us

No person or organization has a right under this Policy:

- a. To join us as a party or otherwise bring us into a "suit" asking for "damages" from an insured; or
- b. To sue us on this Policy unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for "damages" that are not payable under the terms of this Policy or that are in excess of the applicable limit of insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

## 10. Multiple Coverages Limitation

If more than one coverage part of this Policy or any other policy issued to you by us or any of our affiliated companies applies to the same or related "occurrence", "bodily injury", "property damage", offense, "personal and advertising injury", "wrongful act" or "pollution condition" or series of related "occurrences", "bodily injuries", "property damages", offenses, "personal and advertising injuries", "wrongful acts" or "pollution conditions", the maximum limit of insurance under all coverage parts or policies will not exceed the highest applicable limit of insurance available under any one applicable coverage part and the corresponding deductible for that coverage part.

If, however, a "claim" affords coverage under only one insurance policy or coverage part issued to you by us or any company affiliated with us, and that Limit of Insurance has been reduced or completely exhausted by the payment of "claims" and/or "defense expenses", then you shall have no recourse to access the available Limits of Insurance under any other insurance policy or coverage part issued to you by us or any company affiliated with us.

This condition does not apply to any insurance policy or coverage part issued by us or an affiliated company specifically to apply as excess insurance over this coverage part.

## 11. Other Insurance

If other valid and collectible insurance is available to the insured for a loss we cover under Insuring Agreements A, B, D, E, F or G, if purchased, of this Policy, our obligations are limited as follows:

### a. Primary Insurance

This insurance is primary except when b. below applies. If this insurance is primary, our obligations are not affected unless any of the other insurance is also primary. Then, we will share with all that other insurance by the method described in c. below.

### b. Excess Insurance

- (1) Where any Coverage Part attached hereto provides coverage on a claims-made and reported basis, such coverage is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:

- (a) That is effective prior to the beginning of the "policy period" shown in the Declarations of this insurance and applies to "bodily injury" or "property damage" on other than a claims-made basis, if:

- (i) No Retroactive Date is shown in the Declarations of this insurance; or

- (ii) The other insurance has a policy period which continues after the Retroactive Date shown in the Declarations of this insurance;

- (b) That is Fire, Extended Coverage, Builders' Risk, Installation Risk or similar coverage for "your work";

- (c) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;

- (d) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or

- (e) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion a. of Insuring Agreement A – Bodily Injury And Property Damage Liability.

- (2) Where any Coverage Part attached hereto provides coverage on other than a claims-made and reported basis, such coverage is excess over any of the other insurance, whether primary, excess, contingent or on any other basis:

- (a) That is Fire, Extended Coverage, Builders' Risk, Installation Risk or similar coverage for "your work";

(b) That is Fire insurance for premises rented to you or temporarily occupied by you with permission of the owner;

(c) That is insurance purchased by you to cover your liability as a tenant for "property damage" to premises rented to you or temporarily occupied by you with permission of the owner; or

(d) If the loss arises out of the maintenance or use of aircraft, "autos" or watercraft to the extent not subject to Exclusion a. of Insuring Agreement A – Bodily Injury And Property Damage Liability.

(3) Any other primary insurance available to you covering liability for "damages" arising out of the premises or operations, or the products and completed operations, for which you have been added as an additional insured by attachment of an endorsement.

When this insurance is excess, we will have no duty under Insuring Agreements A, B, D, E or F to defend the insured against any "suit" if any other insurer has a duty to defend the insured against that "suit". If no other insurer defends, we will undertake to do so, but we will be entitled to the insured's rights against all those other insurers.

When this insurance is excess over other insurance, we will pay only our share of the amount of the loss, if any, that exceeds the sum of:

- (1) The total amount that all such other insurance would pay for the loss in the absence of this insurance; and
- (2) The total of all deductible and self-insured amounts under all that other insurance.

We will share the remaining loss, if any, with any other insurance that is not described in this Excess Insurance provision and was not bought specifically to apply in excess of the Limits of Insurance shown in the Declarations of this Policy.

#### c. Method Of Sharing

If all of the other insurance permits contribution by equal shares, we will follow this method also. Under this approach each insurer contributes equal amounts until it has paid its applicable limit of insurance or none of the loss remains, whichever comes first.

If any of the other insurance does not permit contribution by equal shares, we will contribute by limits. Under this method, each insurer's

share is based on the ratio of its applicable limit of insurance to the total applicable limits of insurance of all insurers.

#### 12. Premium Audit

- a. We will compute all premiums for this Policy in accordance with our rules and rates.
- b. Premium shown in this Policy as advance premium is a deposit premium only. At the close of each audit period we will compute the earned premium for that period and send notice to the first Named Insured. The due date for audit and retrospective premiums is the date shown as the due date on the bill. If the sum of the advance and audit premiums paid for the "policy period" is greater than the earned premium, we will return the excess to the first Named Insured.
- c. The first Named Insured must keep records of the information we need for premium computation, and send us copies at such times as we may request.

#### 13. Premiums

This policy is subject to a "minimum retained premium". The first Named Insured shown in the Declarations:

- a. Is responsible for the payment of all premiums; and
- b. Will be the payee for any return premiums we pay.

#### 14. Representations

By accepting this Policy, you agree that:

- a. This Policy consists of the Declarations, the coverage forms, all endorsements attached to the policy, the completed and signed application and all supplementary information and statements you have provided to us;
- b. By acceptance of this Policy you agree that all of the information and statements provided to us by you are true, accurate and complete. This Policy has been issued in reliance upon the truth and accuracy of those representations;
- c. No concealment, misrepresentation or fraud shall avoid or defeat recovery under this Policy unless such concealment, misrepresentation or fraud was material. Concealment, misrepresentation or fraud in the procurement of this Policy which, if known by us, would have led us to refuse to enter into this contract at its current terms, conditions or pricing, or to provide coverage for a "claim" hereunder, will be deemed material; and

- d. Material concealment, misrepresentation or fraud may result in the denial of a "claim" under this Policy.

#### 15. Separation Of Insureds

Except with respect to the Limits of Insurance, and any rights or duties specifically assigned in this Policy to the first Named Insured, this insurance applies:

- a. As if each Named Insured were the only Named Insured; and
- b. Separately to each insured against whom "claim" is made or "suit" is brought.

#### 16. Transfer Of Your Rights And Duties Under This Policy

Your rights and duties under this Policy may not be transferred without our written consent except in the case of death of an individual named insured.

If you die, your rights and duties will be transferred to your legal representative but only while acting within the scope of duties as your legal representative. Until your legal representative is appointed, anyone having proper temporary custody of your property will have your rights and duties but only with respect to that property.

#### 17. Transfer Of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Policy, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring "suit" or transfer those rights to us and help us enforce them.

#### 18. Fraudulent Acts

If any insured commits fraud in proffering any "claim", this insurance shall become void from the date such fraudulent "claim" is proffered.

#### 19. Assignment of Interest Limitation

Assignment of interest under this Policy shall not bind us unless we agree and endorse the assignment onto this Policy.

### SECTION VII – COMMON DEFINITIONS

#### 1. "Auto" means:

- a. A land motor vehicle, trailer or semitrailer designed for travel on public roads, including any attached machinery or equipment; or
- b. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged.

However, "auto" does not include "mobile equipment".

- 2. "Bodily injury" means bodily injury, mental anguish, sickness or disease sustained by a person, including death resulting from any of these at any time.

#### 3. "Claim":

- a. With respect to Insuring Agreements, A, B, D, and E, "claim" means a demand for monetary "damages".
- b. With respect to Insuring Agreement F, "claim" means a request or a demand received by you or the Company for money or services. "Claim" also includes any directive, order, or requirement of, court order issued by, or "suit" brought by the Government of the United States, Canada, or any local, State or Provincial Government entity of the United States of America or Canada duly acting under the authority of any law related to the protection of the environment.

#### 4. "Coverage territory" means:

- a. The United States of America (including its territories and possessions), Puerto Rico and Canada;
- b. International waters or airspace, but only if the injury or damage occurs in the course of travel or transportation between any places included in a. above; or
- c. All other parts of the world if the injury or damage arises out of:
  - (1) Goods or products made or sold by you in the territory described in a. above;
  - (2) The activities of a person whose home is in the territory described in a. above, but is away for a short time on your business; or
  - (3) "Personal and advertising injury" offenses that take place through the Internet or similar electronic means of communication;

provided the insured's responsibility to pay "damages" is determined in a "suit" on the merits, in the territory described in a. above or in a settlement we agree to.

- 5. "Damages" means the monetary amount of judgments, awards and settlements an insured becomes legally obligated to pay as a result of a "claim". "Damages" does not include equitable or non-pecuniary relief, disgorgement of profits, sanctions, fines or penalties.

6. "Defense expenses" means fees charged by an attorney we designate and all other fees, costs and expenses which result from the investigation, defense, and appeal of a "suit".

"Defense expenses" do not include:

- a. Any fines or penalties whether administrative, civil or criminal;
  - b. Salary costs of our employees; or
  - c. Those items included under this Policy as Supplementary Payments.
7. "Employee" includes "leased workers" and "temporary workers" but solely for "professional services" performed on your behalf and under your direct supervision.
8. "Executive officer" means a person holding any of the officer positions created by your charter, constitution, by-laws or any other similar governing document.
9. "Hazardous properties" includes radioactive, toxic or explosive properties.
10. "Insured contract" means:

- a. A contract for a lease of premises. However, that portion of the contract for a lease of premises that indemnifies any person or organization for damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner is not an "insured contract";
- b. A sidetrack agreement;
- c. Any easement or license agreement, except in connection with construction or demolition operations on or within fifty (50) feet of a railroad;
- d. An obligation, as required by ordinance, to indemnify a municipality, except in connection with work for a municipality;
- e. An elevator maintenance agreement;
- f. That part of any other contract or agreement pertaining to your business (including an indemnification of a municipality in connection with work performed for a municipality) under which you assume the tort liability of another party to pay for "bodily injury" or "property damage" to a third person or organization. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph f. does not include that part of any contract or agreement:

- (1) That indemnifies a railroad for "bodily injury" or "property damage" arising out of

construction or demolition operations, within fifty (50) feet of any railroad property and affecting any railroad bridge or trestle, tracks, road-beds, tunnel, underpass or crossing;

- (2) That indemnifies an architect, engineer or surveyor for injury or damage arising out of:

(a) Preparing, approving, or failing to prepare or approve, maps, shop drawings, opinions, reports, surveys, field orders, change orders or drawings and specifications; or

(b) Giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage; or

- (3) Under which the insured, if an architect, engineer or surveyor, assumes liability for an injury or damage arising out of the insured's rendering or failure to render "professional services", including those listed in (2) above and supervisory, inspection, architectural or engineering activities.

11. "Leased worker" means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business. "Leased worker" does not include a "temporary worker".

12. "Loading or unloading" means the handling of property:

- a. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or "auto";
- b. While it is in or on an aircraft, watercraft or "auto"; or
- c. While it is being moved from an aircraft, watercraft or "auto" to the place where it is finally delivered;

but "loading or unloading" does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or "auto".

13. "Mobile equipment" means any of the following types of land vehicles, including any attached machinery or equipment:

- a. Bulldozers, farm machinery, forklifts and other vehicles designed for use principally off public roads;
- b. Vehicles maintained for use solely on or next to premises you own or rent;
- c. Vehicles that travel on crawler treads;

d. Vehicles, whether self-propelled or not, maintained primarily to provide mobility to permanently mounted:

- (1) Power cranes, shovels, loaders, diggers or drills; or
- (2) Road construction or resurfacing equipment such as graders, scrapers or rollers;

e. Vehicles not described in a., b., c. or d. above that are not self-propelled and are maintained primarily to provide mobility to permanently attached equipment of the following types:

- (1) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment; or
- (2) Cherry pickers and similar devices used to raise or lower workers;

f. Vehicles not described in a., b., c. or d. above maintained primarily for purposes other than the transportation of persons or cargo.

However, self-propelled vehicles with the following types of permanently attached equipment are not "mobile equipment" but will be considered "autos":

(1) Equipment designed primarily for:

- (a) Snow removal;
- (b) Road maintenance, but not construction or resurfacing; or
- (c) Street cleaning;

(2) Cherry pickers and similar devices mounted on automobile or truck chassis and used to raise or lower workers; and

(3) Air compressors, pumps and generators, including spraying, welding, building cleaning, geophysical exploration, lighting and well servicing equipment.

However, "mobile equipment" does not include land vehicles that are subject to a compulsory or financial responsibility law or other motor vehicle insurance law in the state where it is licensed or principally garaged. Land vehicles subject to a compulsory or financial responsibility law or other motor vehicle insurance law are considered "autos".

14. "Nuclear facility" means:

- a. Any "nuclear reactor";
- b. Any equipment or device designed or used for:
  - (1) Separating the isotopes of uranium or plutonium;

(2) Processing or utilizing "spent fuel"; or

(3) Handling, processing or packaging "waste";

c. Any equipment or device used for the processing, fabricating or alloying of "special nuclear material" if at any time the total amount of such material in the custody of the insured at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235;

d. Any structure, basin, excavation, premises or place prepared or used for the storage or disposal of "waste";

and includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations.

15. "Nuclear material" means "source material", "special nuclear material" or "by-product material".

16. "Nuclear reactor" means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material.

17. "Occurrence" means an accident, including continuous or repeated exposure to substantially the same general harmful conditions.

18. "Policy period" means the period shown in the Declarations, unless earlier cancelled pursuant to Section VI of this Policy.

19. "Professional services" means those functions performed for others by you or on your behalf that are related to your practice as a consultant, engineer, architect, surveyor, laboratory or construction manager.

20. "Property damage" means:

- a. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
- b. Loss of use of tangible property that is not physically injured. All such loss of use shall be deemed to occur at the time of the "occurrence" that caused it.

For the purposes of this insurance, electronic data is not tangible property.

As used in this definition, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from, computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing



devices or any other media which are used with electronically controlled equipment.

services" by any insured covered under Insuring Agreement E.

21. "Source material", "special nuclear material", and "by-product material" have the meanings given them in the Atomic Energy Act of 1954 or in any law amendatory thereof.
22. "Spent fuel" means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a "nuclear reactor".
23. "Suit" means a civil proceeding in which "damages" resulting from "bodily injury", "property damage", "personal and advertising injury", "pollution condition" or a "wrongful act" are alleged. "Suit" includes:
  - a. An arbitration proceeding in which such "damages" are claimed and to which the insured must submit or does submit with our consent; or
  - b. Any other alternative dispute resolution proceeding in which such "damages" are claimed and to which the insured submits with our consent.

Solely as respects Insuring Agreement F, "suit" does not include:

- a. Any request or demand that is not presented in the course of proceedings before a tribunal acting as an adjudicatory body; or
  - b. Any notice from any governmental agency indicating that any insured is a potentially responsible party.
24. "Temporary worker" means a person who is furnished to you to substitute for a permanent "employee" on leave or to meet seasonal or short-term workload conditions.
25. "Volunteer worker" means a person who is not your "employee", and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.
26. "Waste" means any waste material:
  - a. Containing "by-product material" other than the tailings or wastes produced by the extraction or concentration of uranium or thorium from any ore processed primarily for its "source material" content; and
  - b. Resulting from the operation by any person or organization of any "nuclear facility" included under the first two paragraphs of the definition of "nuclear facility".
27. "Wrongful act" means an act, error or omission in the rendering or failure to render "professional

# CONTRACTORS POLLUTION LIABILITY COVERAGE PART

## PROVISIONS

A complete policy consists of a Declarations Page, Common Policy Provisions and at least one Coverage Part. Various provisions in this Policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Any exclusions, conditions or definitions contained within this Coverage Part are provided in addition to any applicable exclusions, conditions and definitions provided within the Common Policy Provisions to which this Coverage Part is attached.

### SECTION I - INSURING AGREEMENT

#### 1. Insuring Agreement D – Contractors Pollution Liability

- a. We will pay, in excess of the Deductible shown in the Declarations, those sums the insured becomes legally obligated to pay:

(1) As "damages" because of "bodily injury" or "property damage"; and

(2) "Cleanup costs";

arising out of a "pollution condition" to which this insurance applies. We may, at our discretion, investigate any incident and settle any "claim" or "suit" that may result. But the amount we will pay for "damages" is limited as described in Section IV – Limits Of Insurance And Deductible within the Common Policy Provisions.

- b. This insurance applies to "bodily injury", "property damage" or "cleanup costs" only if all of the following conditions are met:

(1) No common fact, incident, circumstance, or "occurrence" was reported as a "claim" or potential "claim" against you under any prior policy or disclosed in the application for this Policy;

(2) The "bodily injury" or "property damage" is caused by an "occurrence" that took place within the "coverage territory" and resulted in a "pollution condition" arising out of "your work" or "your product";

(3) The "bodily injury" or "property damage" occurs during the "policy period";

(4) The "bodily injury" or "property damage" arises out of "your work" performed or "your product" delivered during the "policy period", except for "bodily injury" or "prop-

erty damage" arising out of the "products/completed operations hazard"; and

- (5) A "claim" for "damages" because of the "bodily injury" or "property damage" is made against any insured and reported to us in accordance with the provisions set forth in Section VI – Common Conditions, 5. Duties In The Event Of A Claim Or Suit within the Common Policy Provisions.

### SECTION II – ADDITIONAL EXCLUSIONS

The following additional exclusions apply to **Insuring Agreement D – Contractors Pollution Liability** in addition to those contained within the Common Policy Provisions:

This Policy does not apply to any "claim":

#### 1. Damage To Impaired Property Or Property Not Physically Injured

Based upon or arising out of "property damage" to, or "cleanup costs" for, "impaired property" or property that has not been physically injured, arising out of:

- a. A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- b. A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

#### 2. Damage To Property

Based upon or arising out of "property damage" to, or "cleanup costs" for, any real or personal property or facility that, in whole or in part, was rented, occupied or in the care, custody and control of any insured at any time. However, this exclusion does not apply to "property damage" associated with real property in which covered contracted operations are or were being performed by any insured.

#### 3. Damage To Your Product

Based upon or arising out of "property damage" to "your product" arising out of it or any part of it.

#### 4. Damage To Your Work

Based upon or arising out of "property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

However, this exclusion does not apply:

- a. If the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor; or
- b. To the completed operations of "your work" whether performed by you or on your behalf.

#### 5. Expected Or Intended Injury

Based upon or arising out of "bodily injury", "property damage" or "cleanup costs" expected or intended from the standpoint of the insured.

#### 6. Professional Services

Based upon or arising out of any insured's rendering or failure to render any "professional services" including:

- a. The preparing, approving, or failure to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; and
- b. Supervisory, inspection or engineering services.

However, this exclusion does not apply when specified "professional services" are endorsed onto this Coverage Part or where such services are incidental to the designated operations stated on a Designated Operations Coverage Endorsement applicable to this Coverage Part.

#### 7. Punitive Damages

For punitive, exemplary or the multiplied portion of multiplied damages.

### SECTION III – ADDITIONAL CONDITIONS

#### Non-Stacking Of Limits Of Liability

"Bodily injury", "property damage" or "cleanup costs" taking place partly before and partly during the "policy period" shall be deemed to have all taken place:

1. On the date such "bodily injury" or "property damage" first occurred or existed; or
2. The inception date of the first policy issued to you by us, whichever is late.

If the date such "bodily injury" or "property damage" first occurred or existed cannot be determined, then such "bodily injury" or "property damage" will be deemed, for the purposes of policies issued by us, to have occurred on the inception date of the first policy issued to you by us.

### SECTION IV – ADDITIONAL DEFINITIONS

1. "Cleanup costs" means expenses incurred in the investigation, evaluation, monitoring, testing, removal, containment, treatment, response, disposal, remediation, detoxification or neutralization of any "pollutants".

The cleanup is deemed to be complete upon final approval from the supervising governmental authority or upon satisfaction of the requirements identified within the American Society of Testing and Materials Guide For Risk Based Corrective Action.

2. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:

- a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
- b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

- a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
- b. Your fulfilling the terms of the contract or agreement.

3. "Pollutants" means, but is not limited to, any solid, liquid, gaseous, thermal, biological or radioactive substance, material or matter, irritant or contaminant including smoke, vapors, soot, fumes, acids, alkalis, chemicals, and waste.

4. "Pollution condition" means the discharge, dispersal, seepage, migration, release or escape of "pollutants".

5. "Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and caused by "pollution conditions" arising out "your product" or "your work" except:

(1) Products that are still in your physical possession; or

(2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:

(a) When all of the work called for in your contract has been completed.

(b) When all of the work to be done at the job site has been completed if your

contract calls for work at more than one job site.

- (c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or sub-contractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

- b. Does not include "bodily injury" or "property damage" arising out of:

- (1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;
- (2) The existence of tools, uninstalled equipment or abandoned or unused materials, or
- (3) Products or operations for which the classification, listed in the Declarations or in a policy schedule, states that products completed operations are subject to the Policy Aggregate Limit.

6. "Your product":

a. Means:

- (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
  - (a) You;
  - (b) Others trading under your name; or

- (c) A person or organization whose business or assets you have acquired; and

- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
- (2) The providing of or failure to provide warnings or instructions.

- c. Does not include vending machines or other property rented to or located for the use of others but not sold.

7. "Your work":

a. Means:

- (1) Work or operations performed by you or on your behalf; and
- (2) Materials, parts or equipment furnished in connection with such work or operations.

b. Includes:

- (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
- (2) The providing of or failure to provide warnings or instructions.

# CONTRACTORS POLLUTION LIABILITY COVERAGE PART

**INSURING AGREEMENT D PROVIDES COVERAGE ON A CLAIMS-MADE AND  
REPORTED BASIS. PLEASE READ THE ENTIRE FORM CAREFULLY.**

## PROVISIONS

A complete policy consists of a Declarations Page, Common Policy Provisions and at least one Coverage Part. Various provisions in this Policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Any exclusions, conditions or definitions contained within this Coverage Part are provided in addition to any applicable exclusions, conditions and definitions provided within the Common Policy Provisions to which this Coverage Part is attached.

### SECTION I – INSURING AGREEMENT

#### 1. Insuring Agreement D – Contractors Pollution Liability

- a. We will pay, in excess of the Deductible shown in the Declarations, those sums the insured becomes legally obligated to pay:

- (1) As “damages” because of a “bodily injury” or “property damage”; and
- (2) “Cleanup costs”;

arising out of a “pollution condition” to which this insurance applies. We may, at our discretion, investigate any incident and settle any “claim” or “suit” that may result. But the amount we will pay for “damages” is limited as described in Section IV – Limits Of Insurance And Deductible within the Common Policy Provisions.

- b. This insurance applies to “bodily injury”, “property damage” or “cleanup costs” only if all of the following conditions are met:

- (1) Prior to the effective date of this Policy, no insured had knowledge of any “pollution condition” that could reasonably give rise to a “claim” under this Policy;
- (2) No common fact, incident, circumstance, or “occurrence” was reported as a “claim” or potential “claim” against you under any prior policy or disclosed in the application for this Policy;
- (3) The “bodily injury” or “property damage” is caused by an “occurrence” that took place within the “coverage territory” and resulted in a “pollution condition” arising out of “your work” performed or “your product” delivered;

- (4) The “bodily injury” or “property damage” occurs during the “policy period”;
- (5) “Your work” is performed or “your product” is delivered after the Retroactive Date, if any, shown in the Declarations and before the end of the “policy period”; and
- (6) The “claim” for “damages” is first made against any insured and reported to us in writing in accordance with the provisions set forth in Section VI – Common Conditions, 5. Duties In the Event Of A Claim Or Suit within the Common Policy Provisions, during the “policy period” or Extended Reporting Period, if applicable.

- c. A “claim” by a person or organization seeking “damages” will be deemed to have been made at the earlier of the following times:

- (1) When notice of such “claim” is received and recorded by us; or
- (2) When we make settlement in accordance with paragraph 1. a. above.

- d. All “claims” made by a person or organization seeking “damages” will be deemed to have been made at the time the first of those “claims” is made against any insured and reported to us.

- e. If additional “claims” are subsequently made which arise out of the same or related “pollution condition” as a “claim” already made, then all such additional “claims”, whenever made, shall be deemed first made within the policy year or extended reporting period in which the earliest “claim” arising out of such “pollution condition” was made, and all such “claims” shall be subject to the same Limit of Liability.

### SECTION II – ADDITIONAL EXCLUSIONS

The following additional exclusions apply to **Insuring Agreement D – Contractors Pollution Liability** in addition to those contained within the Common Policy Provisions:

This Policy does not apply to any “claim”:

#### 1. Damage To Impaired Property Or Property Not Physically Injured

Based upon or arising out of “property damage” to, or “cleanup costs” for, “impaired property” or

property that has not been physically injured, arising out of:

- a. A defect, deficiency, inadequacy or dangerous condition in "your product" or "your work"; or
- b. A delay or failure by you or anyone acting on your behalf to perform a contract or agreement in accordance with its terms.

This exclusion does not apply to the loss of use of other property arising out of sudden and accidental physical injury to "your product" or "your work" after it has been put to its intended use.

## **2. Damage To Property**

Based upon or arising out of "property damage" to, or "cleanup costs" for, any real or personal property or facility that, in whole or in part, was rented, occupied or in the care, custody and control of any insured at any time. However, this exclusion does not apply to "property damage" associated with real property in which covered contracted operations are or were being performed by any insured.

## **3. Damage To Your Product**

Based upon or arising out of "property damage" to "your product" arising out of it or any part of it.

## **4. Damage To Your Work**

Based upon or arising out of "property damage" to "your work" arising out of it or any part of it and included in the "products-completed operations hazard".

However, this exclusion does not apply:

- a. If the damaged work or the work out of which the damage arises was performed on your behalf by a subcontractor; or
- b. To the completed operations of "your work" whether performed by you or on your behalf.

## **5. Expected Or Intended Injury**

Based upon or arising out of "bodily injury", "property damage" or "cleanup costs" expected or intended from the standpoint of the insured.

## **6. Professional Services**

Based upon or arising out of any insured's rendering or failure to render any "professional services" including:

- a. The preparing, approving, or failure to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs or specifications; and

- b. Supervisory, inspection or engineering services.

However, this exclusion does not apply when specified "professional services" are endorsed onto this Coverage Part or where such services are incidental to the designated operations stated on a Designated Operations Coverage Endorsement applicable to this Coverage Part.

## **7. Punitive Damages**

For punitive, exemplary or the multiplied portion of multiplied damages.

## **SECTION III – ADDITIONAL DEFINITIONS**

1. "Cleanup costs" means expenses incurred in the investigation, evaluation, monitoring, testing, removal, containment, treatment, response, disposal, remediation, detoxification or neutralization of any "pollutants".

The cleanup is deemed to be complete upon final approval from the supervising governmental authority or upon satisfaction of the requirements identified within the American Society of Testing and Materials Guide For Risk Based Corrective Action.

2. "Impaired property" means tangible property, other than "your product" or "your work", that cannot be used or is less useful because:

- a. It incorporates "your product" or "your work" that is known or thought to be defective, deficient, inadequate or dangerous; or
- b. You have failed to fulfill the terms of a contract or agreement;

if such property can be restored to use by:

- a. The repair, replacement, adjustment or removal of "your product" or "your work"; or
- b. Your fulfilling the terms of the contract or agreement.

3. "Pollutants" means, but is not limited to, any solid, liquid, gaseous, thermal, biological or radioactive substance, material or matter, irritant or contaminant including smoke, vapors, soot, fumes, acids, alkalis, chemicals, and waste.

4. "Pollution condition" means the discharge, dispersal, seepage, migration, release or escape of "pollutants".

5. "Products-completed operations hazard":

- a. Includes all "bodily injury" and "property damage" occurring away from premises you own or rent and caused by "pollution conditions" arising out "your product" or "your work" except:



(1) Products that are still in your physical possession; or

(2) Work that has not yet been completed or abandoned. However, "your work" will be deemed completed at the earliest of the following times:

(a) When all of the work called for in your contract has been completed.

(b) When all of the work to be done at the job site has been completed if your contract calls for work at more than one job site.

(c) When that part of the work done at a job site has been put to its intended use by any person or organization other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as completed.

b. Does not include "bodily injury" or "property damage" arising out of:

(1) The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the "loading or unloading" of that vehicle by any insured;

(2) The existence of tools, uninstalled equipment or abandoned or unused materials, or

(3) Products or operations for which the classification, listed in the Declarations or in a policy schedule, states that products completed operations are subject to the Policy Aggregate Limit.

6. "Your product":

a. Means:

(1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

(a) You;

(b) Others trading under your name; or

(c) A person or organization whose business or assets you have acquired; and

(2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and

(2) The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

7. "Your work":

a. Means:

(1) Work or operations performed by you or on your behalf; and

(2) Materials, parts or equipment furnished in connection with such work or operations

b. Includes:

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and

(2) The providing of or failure to provide warnings or instructions.

#### SECTION IV – EXTENDED REPORTING PERIODS

1. We will provide one or more Extended Reporting Periods, as described below, if:

a. This insurance is canceled or not renewed by us or by you; or

b. We renew or replace this insurance with insurance that:

(1) Has a Retroactive Date later than the date shown in the Declarations applicable to this Coverage Part; or

(2) Does not apply to "bodily injury", "property damage" or "cleanup costs" on a claims-made basis.

However, there shall be no entitlement to this extension if cancellation or non-renewal is due to your:

a. Non-payment of premium;

b. Failure to comply with the terms and conditions of this Policy; or

c. Misrepresentation or fraud.

2. Extended Reporting Periods do not extend the "policy period" or change the scope of coverage provided. Extended Reporting Periods apply only to "claims" for "damages" resulting from "pollution conditions" arising out of "your work" performed or "your product" delivered before the end of the "policy period" but not before the Retroactive Date, if any, shown in the Declarations.

Once in effect, Extended Reporting Periods may not be canceled.

3. A ninety (90) day Basic Extended Reporting Period is automatically provided without additional charge. The Basic Extended Reporting Period starts with the end of the "policy period". In order to benefit from the Basic Extended Reporting Period or the Supplemental Extended Reporting Period, if purchased, all "claims" must be duly reported to us in accordance with Section VI – Common Conditions, 5. Duties In The Event Of A Claim or Suit within the Common Policy Provisions, and reported to us within the Basic Extended Reporting Period or the Supplemental Extended Reporting Period, if purchased.

The Basic Extended Reporting Period does not apply to "claims" for "damages" that are covered under any subsequent insurance you purchase, or that would apply but for exhaustion of the amount of insurance applicable to such "claims".

4. A Supplemental Extended Reporting Period is available, but only by endorsement and for an extra charge. We will determine the additional premium in accordance with our rules and rates. In doing so we may take into account, without limitation, the following:
  - a. The risks to be insured;
  - b. Previous types and amounts of insurance;
  - c. Amounts paid or reserved under this Policy;

- d. Your "claims" history; and

- e. Other factors that, in our judgment, may be appropriate.

The additional premium will not exceed two hundred percent (200%) of the total annual premium.

5. This Supplemental Extended Reporting Period starts when the Basic Extended Reporting Period, set forth in Paragraph 3. above, ends.

You must give us a written request for the Supplemental Extended Reporting Period Endorsement prior to the end of the "policy period". The Supplemental Extended Reporting Period will not go into effect unless you pay the additional premium within thirty (30) days of making your request for the Supplemental Extended Reporting Period Endorsement.

6. All premiums paid for the Supplemental Extended Reporting Period shall be deemed fully earned and non-refundable as of the first day of the Supplemental Extended Reporting Period.
7. The Supplemental Extended Reporting Period Endorsement shall set forth the terms, not inconsistent with this section, applicable to the Supplemental Extended Reporting Period, including a provision to the effect that the insurance afforded for "claims" first received during such period is excess over any other valid and collectable insurance available under policies in force after the Supplemental Extended Reporting Period starts.
8. Once purchased, we are under no obligation to extend or renew any Supplemental Extended Reporting Period.
9. Neither the Basic Extended Reporting Period nor the Supplemental Extended Reporting Period, if purchased, reinstates or increases the Limits of Insurance.

# ERRORS AND OMISSIONS LIABILITY COVERAGE PART

**INSURING AGREEMENT E PROVIDES COVERAGE ON A CLAIMS-MADE AND  
REPORTED BASIS. PLEASE READ THE ENTIRE FORM CAREFULLY.**

## PROVISIONS

A complete policy consists of a Declarations Page, Common Policy Provisions and at least one Coverage Part. Various provisions in this Policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Any exclusions, conditions or definitions contained within this Coverage Part are provided in addition to any applicable exclusions, conditions and definitions provided within the Common Policy Provisions to which this Coverage Part is attached.

### SECTION I - INSURING AGREEMENT

#### 1. Insuring Agreement E – Errors And Omissions Liability

- a. We will pay, in excess of the Deductible shown in the Declarations, those sums the insured becomes legally obligated to pay as "damages" because of a "wrongful act" to which this insurance applies. We may, at our discretion, investigate any incident and settle any "claim" or "suit" that may result. But the amount we will pay for "damages" is limited as described in Section IV – Limits Of Insurance And Deductible within the Common Policy Provisions.
- b. This insurance applies to "claims" for "damages" arising out of a "wrongful act" only if all of the following conditions are met:
  - (1) Prior to the effective date of this Policy, no insured had knowledge of any act, error or omission that could reasonably give rise to a "claim" under this Policy;
  - (2) No common fact, circumstance, transaction, advice or decision involved in a "professional service" was reported as a "claim" or potential "claim" against you under any prior policy or disclosed in the application for this Policy;
  - (3) The "professional services" forming the basis of the "claim" were rendered subsequent to this Policy's effective date or Retroactive Date, if applicable, and prior to the expiration of this Policy;
  - (4) The "wrongful act" took place within the "coverage territory"; and

- (5) The "claim" for "damages" is first made against any insured and reported to us in writing in accordance with the provisions set forth in Section VI – Common Conditions, 5. Duties In the Event Of A Claim Or Suit within the Common Policy Provisions, during the "policy period" or Extended Reporting Period, if applicable.

- c. A "claim" by a person or organization seeking "damages" will be deemed to have been made at the earlier of the following times:

- (1) When notice of such "claim" is received and recorded by us; or
- (2) When we have made a settlement in accordance with paragraph 1.a., above.

- d. All "claims" arising out of "wrongful acts" rendered to the same person or organization will be deemed to have been made at the time the first of those "claims" is made against any insured and reported to us.
- e. If additional "claims" are subsequently made which arise out of the same or related "professional services" as a "claim" already made, then all such additional "claims", whenever made, shall be deemed first made within the policy year or extended reporting period in which the earliest "claim" arising out of such "professional services" was made, and all such "claims" shall be subject to the same Limit of Liability.

### SECTION II – ADDITIONAL EXCLUSIONS

The following additional exclusions apply to **Insuring Agreement E – Errors And Omissions Liability** in addition to those contained within the Common Policy Provisions:

This Policy does not apply to any "claim":

#### 1. Electronic Data

Based upon or arising out of "damages" arising out of the loss of, loss of use of, damage to, corruption of, inability to access, or inability to manipulate electronic data.

As used in this exclusion, electronic data means information, facts or programs stored as or on, created or used on, or transmitted to or from

computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

## **2. Express Warranties**

Based upon or arising out of any express warranties or guarantees.

## **3. Faulty Workmanship**

Based upon or arising out of the cost to repair or replace any faulty workmanship, construction or work not in accordance with your "professional services".

## **4. Insurance/Bonds**

Based upon or arising out of the advising of, requiring of, or failure to advise or require, or failure to obtain or maintain, any form of insurance or surety bond.

## **5. Products**

Arising out of "your product".

## **6. Punitive Damages**

For punitive damages, exemplary damages, multiplied damages, fines or penalties.

## **7. Recall Of Products, Work or Impaired Property**

Based upon or arising out of "damages" claimed for any loss, cost or expense incurred by you or others for the loss of use, withdrawal, recall, inspection, repair, replacement, adjustment, removal or disposal of:

- a. "Your product";
- b. "Your work"; or
- c. "Impaired property";

if such product, work, or property is withdrawn or recalled from the market or from use by any person or organization because of a known or suspected defect, deficiency, inadequacy or dangerous condition in it.

This Exclusion c. does not apply to damage by fire to premises while rented to you or temporarily occupied by you with permission of the owner. A separate limit of insurance applies to this coverage as described in Section IV – Limits Of Insurance And Deductible within the Common Policy Provisions and indicated in the Declarations.

## **SECTION III – ADDITIONAL DEFINITIONS**

### **1. "Your product":**

- a. Means:

(1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:

- (a) You;
- (b) Others trading under your name; or
- (c) A person or organization whose business or assets you have acquired; and

(2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

### **b. Includes:**

(1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and

(2) The providing of or failure to provide warnings or instructions.

c. Does not include vending machines or other property rented to or located for the use of others but not sold.

## **SECTION IV – EXTENDED REPORTING PERIODS**

1. We will provide one or more Extended Reporting Periods, as described below, if:

a. This insurance is canceled or not renewed by us or by you; or

b. We renew or replace this insurance with insurance that:

(1) Has a Retroactive Date later than the date shown in the Declarations applicable to this Coverage Part; or

(2) Does not apply to "claims" for "damages" arising out of "professional services" on a claims-made basis.

However, there shall be no entitlement to this extension if cancellation or non-renewal is due to your:

a. Non-payment of premium;

b. Failure to comply with the terms and conditions of this Policy; or

c. Misrepresentation or fraud.

2. Extended Reporting Periods do not extend the "policy period" or change the scope of coverage provided. Extended Reporting Periods apply only to "claims" arising out of "professional services" rendered before the end of the "policy period" but not before the Retroactive Date, if any, shown in the Declarations.

Once in effect, Extended Reporting Periods may not be canceled.

3. A ninety (90) day Basic Extended Reporting Period is automatically provided without additional charge. The Basic Extended Reporting Period starts with the end of the "policy period". In order to benefit from the Basic Extended Reporting Period or the Supplemental Extended Reporting Period, if purchased, all "claims" must be duly reported to us in accordance with Section VI – Common Conditions, 5. Duties In The Event Of A Claim or Suit within the Common Policy Provisions, and reported to us within the Basic Extended Reporting Period or the Supplemental Extended Reporting Period, if purchased.

The Basic Extended Reporting Period does not apply to "claims" for "damages" that are covered under any subsequent insurance you purchase, or that would apply but for exhaustion of the amount of insurance applicable to such "claims".

4. A Supplemental Extended Reporting Period is available, but only by endorsement and for an extra charge. We will determine the additional premium in accordance with our rules and rates. In doing so we may take into account, without limitation, the following:
  - a. The risks to be insured;
  - b. Previous types and amounts of insurance;
  - c. Amounts paid or reserved under this Policy;
  - d. Your "claims" history; and
  - e. Other factors that, in our judgment, may be appropriate.

The additional premium will not exceed two hundred percent (200%) of the total annual premium.

5. This Supplemental Extended Reporting Period starts when the Basic Extended Reporting Period, set forth in Paragraph 3. above, ends.

You must give us a written request for the Supplemental Extended Reporting Period Endorsement prior to the end of the "policy period". The Supplemental Extended Reporting Period will not go into effect unless you pay the additional premium within thirty (30) days of making your request for the Supplemental Extended Reporting Period Endorsement.

6. All premiums paid for the Supplemental Extended Reporting Period shall be deemed fully earned and non-refundable as of the first day of the Supplemental Extended Reporting Period.
7. The Supplemental Extended Reporting Period Endorsement shall set forth the terms, not inconsistent with this section, applicable to the Supplemental Extended Reporting Period, including a provision to the effect that the insurance afforded for "claims" first received during such period is excess over any other valid and collectable insurance available under policies in force after the Supplemental Extended Reporting Period starts.
8. Once purchased, we are under no obligation to extend or renew any Supplemental Extended Reporting Period.
9. Neither the Basic Extended Reporting Period nor the Supplemental Extended Reporting Period, if purchased, reinstates or increases the Limits of Insurance.

# THIRD PARTY POLLUTION LIABILITY COVERAGE PART

**INSURING AGREEMENT F PROVIDES COVERAGE ON A CLAIMS-MADE AND  
REPORTED BASIS. PLEASE READ THE ENTIRE FORM CAREFULLY.**

## PROVISIONS

A complete policy consists of a Declarations Page, Common Policy Provisions and at least one Coverage Part. Various provisions in this Policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Any exclusions, conditions or definitions contained within this Coverage Part are provided in addition to any applicable exclusions, conditions and definitions provided within the Common Policy Provisions to which this Coverage Part is attached.

### SECTION I - INSURING AGREEMENT

#### 1. Insuring Agreement F – Third Party Pollution Liability

- a. We will pay, in excess of the Deductible shown in the Declarations, those sums the insured becomes legally obligated to pay:

(1) As "damages" because of "bodily injury" or "property damage"; and

(2) "Cleanup costs";

arising out of a "pollution condition" to which this insurance applies. We may, at our discretion, investigate any incident and settle any "claim" or "suit" that may result. But the amount we will pay for "damages" and "cleanup costs" is limited as described in Section IV – Limits Of Insurance And Deductible within the Common Policy Provisions.

- b. This insurance applies to "bodily injury", "property damage" or "cleanup costs" only if all of the following conditions are met:

(1) No common fact, incident, circumstance, or "pollution condition" was reported as a "claim" or potential "claim" against you under any prior policy or disclosed in the application for this Policy;

(2) The "bodily injury" or "property damage" occurs during the "policy period" and is caused by a "pollution condition" at, on or emanating from your "location(s)" within the "coverage territory";

(3) The "cleanup costs" result from a "pollution condition" at, on or emanating from your "location(s)" within the "coverage territory";

(4) The "pollution condition" begins after this Policy's effective date or Retroactive Date, if applicable, and before the end of the "policy period"; and

(5) The "claim" for "damages" is first made against any insured and reported to us in writing in accordance with the provisions set forth in Section VI – Common Conditions, 5. Duties In the Event Of A Claim Or Suit within the Common Policy Provisions, during the "policy period" or Extended Reporting Period, if applicable.

- c. A "claim" by a person or organization seeking "damages" will be deemed to have been made at the earlier of the following times:

(1) When notice of such "claim" is received and recorded by us; or

(2) When we make settlement in accordance with paragraph 1.a. above.

- d. All "claims" made by a person or organization seeking "damages" will be deemed to have been made at the time the first of those "claims" is made against any insured and reported to us.

- e. If additional "claims" are subsequently made which arise out of the same or related "pollution condition" as a "claim" already made, then all such additional "claims", whenever made, shall be deemed first made within the policy year or extended reporting period in which the earliest "claim" arising out of such "pollution condition" was made, and all such "claims" shall be subject to the same Limit of Liability.

### SECTION II – ADDITIONAL EXCLUSIONS

The following additional exclusions apply to Insuring Agreement F – Third Party Pollution Liability in addition to those contained within the Common Policy Provisions:



This Policy does not apply to any "claim":

**1. Asbestos**

Based upon or arising out of asbestos, asbestos products, asbestos fibers or asbestos dust.

**2. Contractual Liability**

Based upon or arising out of any liability of others that you assume under a contract, unless the liability would exist in the absence of such contract.

**3. Divested Property**

That is made after you have sold, given away or abandoned your "location(s)" out of which the "claim" arises, or condemnation proceedings have been instituted with respect to your "location(s)" out of which the "claim" arises.

**4. Insured's Property Damage Or Cleanup Costs**

Based upon or arising out of "property damage" to, or "cleanup costs" for, property owned, leased or operated by you, or property in your care, custody or control, even if any cost is incurred or expended to avoid or mitigate further damage or "claims".

**5. Intentional Acts**

Based upon or arising out of any "pollution conditions" that result, in whole or in part, from your:

- a. Intentional, willful or deliberate injury to person or property; or
- b. non-compliance with any statute, regulation, ordinance, administrative complaint, notice of violation, notice letter, executive order or instruction of any governmental or public agency or body;

regardless of when any of the foregoing acts took place.

**6. Known Conditions**

Based upon or arising out of "pollution conditions" that were known by you at any time before the beginning of this "policy period" to be present or that were disclosed in your application for this insurance or any of the accompanying information provided to us.

**7. Lead Paint**

Based upon or arising out of "pollution conditions" that results from the existence, required or voluntary removal, or abatement of paint containing lead.

**8. Non-Designated Locations**

Based upon or arising out of any "location(s)" (including, but not limited to, any disposal location) not designated by endorsement to this Coverage Part.

**9. Punitive Damages**

For punitive, exemplary or the multiplied portion of multiplied damages.

**10. Underground Storage Tanks**

Based upon or arising out of any underground storage tank(s) or associated underground piping at your "location(s)", but only if you knew of the existence of such underground storage tank(s) or associated underground piping before a "claim" involving the same was first made against any insured. This exclusion does not apply to underground storage tank(s) or associated underground piping when endorsed onto this Policy.

**11. Your Product And Your Work**

Based upon or arising out of "your product" or "your work", unless the "claim" results from "your work" performed on, or "your product" disposed of or handled on, your "location(s)".

**SECTION III – ADDITIONAL DEFINITIONS**

1. "Applicable laws" means the Comprehensive Environmental Response, Compensation and Liability Act, commonly known as CERCLA, (42 U.S.C. § 9601 et seq.); the Resource Conservation and Recovery Act, commonly known as RCRA, (42 U.S.C. § 6901 et seq.); the Federal Water Pollution Control Act, (33 U.S.C. § 1251 et seq.); the Clean Air Act, (42 U.S.C. § 7401 et seq.), the Occupational Safety and Health Act of 1970, (29 U.S.C. § 651 et seq.), and all other federal, state and local laws that regulate any substance that, due to its toxicity or reactivity, poses a threat to human health or the environment.
2. "Capital expenditure" means either money voluntarily spent or a charge voluntarily incurred, for additions or improvements to, or equipment for, your "location" or any part thereof. "Capital expenditure" includes, but is not limited to, money spent or a charge incurred for the purpose of complying with any order or request of any regulatory agency that is intended, in whole or in part, to prevent or mitigate future "pollution conditions".
3. "Cleanup costs" means expenses incurred in the investigation, evaluation, monitoring, testing, removal, containment, treatment, response,

disposal, remediation, detoxification or neutralization of any "pollutants".

The cleanup is deemed to be complete upon final approval from the supervising governmental authority or upon satisfaction of the requirements identified within the American Society of Testing and Materials Guide for Risk Based Corrective Action. "Cleanup costs" does not include any "capital expenditure".

4. "Location(s)" means the specific location(s) designated in an endorsement applicable to this Coverage Part.
5. "Pollutants" means any solid, liquid, gaseous, thermal, chemical, biological or radioactive substance, material or matter, irritant or contaminant including smoke, vapors, soot, fumes, acids, alkalis, chemicals and waste, the presence of which constitutes a violation of the "applicable laws".
6. "Pollution condition" means the discharge, dispersal, seepage, migration, release or escape of "pollutants".
7. "Your product":
  - a. Means:
    - (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
      - (a) You;
      - (b) Others trading under your name; or
      - (c) A person or organization whose business or assets you have acquired; and
    - (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.
  - b. Includes:
    - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and
    - (2) The providing of or failure to provide warnings or instructions.
  - c. Does not include vending machines or other property rented to or located for the use of others but not sold.

8. "Your work":

- a. Means:
  - (1) Work or operations performed by you or on your behalf; and
  - (2) Materials, parts or equipment furnished in connection with such work or operations.
- b. Includes:
  - (1) Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and
  - (2) The providing of or failure to provide warnings or instructions.

**SECTION IV – EXTENDED REPORTING PERIODS**

1. We will provide one or more Extended Reporting Periods, as described below, if:
  - a. This insurance is canceled or not renewed by us or by you; or
  - b. We renew or replace this insurance with insurance that:
    - (1) Has a Retroactive Date later than the date shown in the Declarations applicable to this Coverage Part; or
    - (2) Does not apply to "claims" for "bodily injury", "property damage", or "cleanup costs" arising out a "pollution condition" on a claims-made basis.

However, there shall be no entitlement to this extension if cancellation or non-renewal is due to your:

  - a. Non-payment of premium;
  - b. Failure to comply with the terms and conditions of this Policy; or
  - c. Misrepresentation or fraud.
2. Extended Reporting Periods do not extend the "policy period" or change the scope of coverage provided. Extended Reporting Periods apply only to "claims" for "damages" resulting from "pollution conditions" at, on or emanating from your "location(s)" before the end of the "policy period" but not before the Retroactive Date, if any, shown in the Declarations.

Once in effect, Extended Reporting Periods may not be canceled.
3. A ninety (90) day Basic Extended Reporting Period is automatically provided without additional charge. The Basic Extended Reporting

Period starts with the end of the "policy period". In order to benefit from the Basic Extended Reporting Period or the Supplemental Extended Reporting Period, if purchased, all "claims" must be duly reported to us in accordance with Section VI – Common Conditions, 5. Duties In The Event Of A Claim or Suit within the Common Policy Provisions, and reported to us within the Basic Extended Reporting Period or the Supplemental Extended Reporting Period, if purchased.

The Basic Extended Reporting Period does not apply to "claims" for "damages" that are covered under any subsequent insurance you purchase, or that would apply but for exhaustion of the amount of insurance applicable to such "claims".

4. A Supplemental Extended Reporting Period is available, but only by endorsement and for an extra charge. We will determine the additional premium in accordance with our rules and rates. In doing so we may take into account, without limitation, the following:
  - a. The risks to be insured;
  - b. Previous types and amounts of insurance;
  - c. Amounts paid or reserved under this Policy;
  - d. Your "claims" history; and
  - e. Other factors that, in our judgment, may be appropriate.

The additional premium will not exceed two hundred percent (200%) of the total annual premium.

5. This Supplemental Extended Reporting Period starts when the Basic Extended Reporting Period, set forth in Paragraph 3. above, ends.

You must give us a written request for the Supplemental Extended Reporting Period Endorsement prior to the end of the "policy period". The Supplemental Extended Reporting Period will not go into effect unless you pay the additional premium within thirty (30) days of making your request for the Supplemental Extended Reporting Period Endorsement.

6. All premiums paid for the Supplemental Extended Reporting Period shall be deemed fully earned and non-refundable as of the first day of the Supplemental Extended Reporting Period.
7. The Supplemental Extended Reporting Period Endorsement shall set forth the terms, not inconsistent with this section, applicable to the Supplemental Extended Reporting Period, including a provision to the effect that the insurance afforded for "claims" first received during such period is excess over any other valid and collectable insurance available under policies in force after the Supplemental Extended Reporting Period starts.
8. Once purchased, we are under no obligation to extend or renew any Supplemental Extended Reporting Period.
9. Neither the Basic Extended Reporting Period nor the Supplemental Extended Reporting Period, if purchased, reinstates or increases the Limits of Insurance.

# CLEANUP COSTS – YOUR LOCATION COVERAGE PART

## PROVISIONS

A complete policy consists of a Declarations Page, Common Policy Provisions and at least one Coverage Part. Various provisions in this Policy restrict coverage. Read the entire policy carefully to determine rights, duties and what is and is not covered.

Any exclusions, conditions or definitions contained within this Coverage Part are provided in addition to any applicable exclusions, conditions and definitions provided within the Common Policy Provisions to which this Coverage Part is attached.

### SECTION I - INSURING AGREEMENT

#### Insuring Agreement G – Cleanup Costs – Your Location

1. We will pay, in excess of the Deductible shown in the Declarations, those sums the insured becomes obligated to pay as "cleanup costs" arising out of a "pollution condition" to which this insurance applies. The amount we will pay for "cleanup costs" is limited as described in Section IV – Limits Of Insurance And Deductible within the Common Policy Provisions.
2. This insurance applies to "cleanup costs" only if all of the following conditions are met:
  - a. No common fact, incident, circumstance, or "pollution condition" was reported under any prior policy or disclosed in the application for this Policy;
  - b. The "cleanup costs" arise out of a "pollution condition" that exists at, on or within your "location(s)" within the "coverage territory";
  - c. The "pollution condition" begins after this Policy's effective date or Retroactive Date, if applicable, and before the end of the "policy period"; and
  - d. The request for "cleanup costs" is made to us in writing in accordance with the provisions set forth in **SECTION III – ADDITIONAL CONDITIONS** within this Coverage Part, during the "policy period".

### SECTION II – ADDITIONAL EXCLUSIONS

The following additional exclusions apply to **Insuring Agreement G – Cleanup Costs – Your Location**:

This Policy does not apply to "cleanup costs":

#### 1. Asbestos

Based upon or arising out of asbestos, asbestos products, asbestos fibers or asbestos dust.

#### 2. Capital Expenditures

Based upon or arising out any expenditure or improvement to or at your "location(s)" that would qualify as a "capital expenditure".

#### 3. Contractual Liability

Based upon or arising out of any liability of others that you assume under a contract, unless the liability would exist in the absence of such contract.

#### 4. Divested Property

That arise after you have sold, given away or abandoned your "location(s)" for which "cleanup costs" are required, or condemnation proceedings have been instituted with respect to your "location(s)" out of which the "cleanup costs" become necessary.

#### 5. Intentional Acts

Based upon or arising out of any "pollution conditions" that result, in whole or in part, from your:

- a. Intentional, willful or deliberate injury to person or property; or
- b. Non-compliance with any statute, regulation, ordinance, administrative complaint, notice of violation, notice letter, executive order or instruction of any governmental or public agency or body;

regardless of when any of the foregoing acts took place.

#### 6. Known Conditions

Based upon or arising out of "pollution conditions" that were known by you at any time before the beginning of this "policy period" to be present or that were disclosed in your application for this insurance or any of the accompanying information provided to us.

#### 7. Lead Paint

Based upon or arising out of "pollution conditions" that result from the existence, required or voluntary removal or abatement of paint containing lead.

## 8. Mold, Mold Spores And Fungus

Based upon or arising out of "pollution conditions" that result from the existence, required or voluntary removal or abatement of mold, mold spores or fungus.

## 9. Non-Designated Locations

Based upon or arising out any "location(s)" (including, but not limited to, any disposal location) not designated by endorsement to this Coverage Part.

## 10. Underground Storage Tanks

Based upon or arising out of any underground storage tank(s) or associated underground piping at your "location(s)," but only if you knew of the existence of such underground storage tank(s) or associated underground piping before a request for "cleanup costs" involving the same was first made against any insured. This exclusion does not apply to underground storage tank(s) or associated underground piping when endorsed onto this Policy.

## 11. Your Product and Your Work

Based upon or arising out of "your product" or "your work", unless the request for "cleanup costs" result from "your work" performed on, or "your product" disposed of or handled on, your "location(s)".

## SECTION III – ADDITIONAL CONDITIONS

### Duties In The Event Of A Pollution Condition

In the event of a "pollution condition" you must immediately record the specifics of the "pollution condition" including how and when it took place.

If there are "cleanup costs" arising from the "pollution condition" at your "location(s)", you must immediately record a detailed description of the nature, scope and amount of the "cleanup costs" and notify us in writing as soon as practicable, but in no event after the end of the "policy period".

## SECTION IV – ADDITIONAL DEFINITIONS

1. "Applicable laws" means the Comprehensive Environmental Response, Compensation and Liability Act, commonly known as CERCLA, (42 U.S.C. § 9601 et seq.); the Resource Conservation and Recovery Act, commonly known as RCRA, (42 U.S.C. § 6901 et seq.); the Federal Water Pollution Control Act, (33 U.S.C. § 1251 et seq.); the Clean Air Act, (42 U.S.C. § 7401 et seq.), the Occupational Safety and Health Act of 1970, (29 U.S.C. § 651 et seq.), and all other federal, state and local laws that regulate any substance that, due to its toxicity or

reactivity, poses a threat to human health or the environment.

2. "Capital expenditure" means either money voluntarily spent or a charge voluntarily incurred, for additions or improvements to, or equipment for, your "location" or any part thereof. "Capital expenditure" includes, but is not limited to, money spent or a charge incurred for the purpose of complying with any order or request of any regulatory agency that is intended, in whole or in part, to prevent or mitigate future "pollution conditions".
3. "Cleanup costs" means necessary expenses relating directly to the investigation, evaluation, monitoring, testing, removal, containment, treatment, response, disposal, remediation, detoxification or neutralization of any "pollutants".  
  
The cleanup is deemed to be complete upon final approval from the supervising governmental authority or upon satisfaction of the requirements identified within the American Society of Testing and Materials Guide For Risk Based Corrective Action. "Cleanup costs" does not include any "capital expenditure".
4. "Location(s)" means the specific location(s) designated in an endorsement applicable this Coverage Part.
5. "Pollutants" means any solid, liquid, gaseous, thermal, chemical, biological or radioactive substance, material or matter, irritant or contaminant including smoke, vapors, soot, fumes, acids, alkalis, chemicals and waste, the presence of which constitutes a violation of the "applicable laws".
6. "Pollution condition" means the discharge, dispersal, seepage, migration, release or escape of "pollutants".
7. "Your product":

#### a. Means:

- (1) Any goods or products, other than real property, manufactured, sold, handled, distributed or disposed of by:
  - (a) You;
  - (b) Others trading under your name; or
  - (c) A person or organization whose business or assets you have acquired; and
- (2) Containers (other than vehicles), materials, parts or equipment furnished in connection with such goods or products.

**b. Includes:**

**(1)** Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your product"; and

**(2)** The providing of or failure to provide warnings or instructions.

**c. Does not include vending machines or other property rented to or located for the use of others but not sold.**

**8. "Your work":**

**a. Means:**

**(1)** Work or operations performed by you or on your behalf; and

**(2)** Materials, parts or equipment furnished in connection with such work or operations.

**b. Includes:**

**(1)** Warranties or representations made at any time with respect to the fitness, quality, durability, performance or use of "your work"; and

**(2)** The providing of or failure to provide warnings or instructions.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## MINIMUM PREMIUM AND MINIMUM RETAINED PREMIUM

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
CONTRACTORS POLLUTION LIABILITY COVERAGE PART  
ERRORS AND OMISSIONS LIABILITY COVERAGE PART  
THIRD PARTY POLLUTION LIABILITY COVERAGE PART  
CLEANUP COSTS – YOUR LOCATION COVERAGE PART

- A. **SECTION VI – COMMON CONDITIONS, 3. Cancellation And Nonrenewal** within the Common Policy Provisions is amended by the addition of the following:

This Policy is subject to both a “minimum premium” and a “minimum retained premium”.

In the event the audit premium is found by us to be greater than the premium stated in the Declarations, the additional premium is due and payable upon notice by us to the First Named Insured. If the audit premium is found to be less than the premium stated in the Declarations, we will retain the “minimum premium”.

In the event of cancellation by the First Named Insured, a “minimum retained premium” will apply.

Cancellation for non-payment of premium after the effective date of this Policy shall be deemed a request by the First Named Insured for cancellation of this Policy, thereby activating the “minimum retained premium” provision.

- B. **SECTION VII – COMMON DEFINITIONS** within the Common Policy Provisions is amended by the addition of the following:

1. “Minimum premium” means 100% of the premium stated in the Declarations plus any additional premium generated by:
  - a. Subsequent endorsement; and
  - b. Audit, if applicable.
2. “Minimum retained premium” means the amount of premium retained by us should you cancel this Policy prior to the end of the “policy period”. “Minimum retained premium” is calculated as the greater of:
  - a. 25% of the premium stated in the Declarations;
  - b. A short rate or pro-rata of the premium stated in the Declarations; or
  - c. The audit premium.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## DEDUCTIBLE LIABILITY

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
CONTRACTORS POLLUTION LIABILITY COVERAGE PART  
ERRORS AND OMISSIONS LIABILITY COVERAGE PART  
THIRD PARTY POLLUTION LIABILITY COVERAGE PART  
CLEANUP COSTS – YOUR LOCATION COVERAGE PART

### SCHEDULE

COVERAGE	AMOUNT & BASIS OF DEDUCTIBLE	
<b>I. COMMERCIAL GENERAL LIABILITY:</b>	<b>Each Claim</b>	<b>Each Occurrence</b>
A. Bodily Injury	\$	\$
B. Property Damage	\$	\$
C. Bodily Injury & Property Damage Combined	\$	\$
D. Bodily Injury & Property Damage Combined: Separate Commercial General Liability and Products/Completed Operations Liability Deductibles		
1. General Liability	\$	\$
2. Products/Completed Operations Liability	\$	\$
<b>II. MONOLINE PRODUCTS/COMPLETED OPERATIONS LIABILITY:</b>	<b>Each Claim</b>	<b>Each Occurrence</b>
	\$	\$
<b>III. CONTRACTORS POLLUTION LIABILITY:</b>	<b>Each Pollution Condition</b> \$25,000	
<b>IV. ERRORS AND OMISSIONS LIABILITY:</b>	<b>Each Claim</b> \$25,000	
<b>V. THIRD PARTY POLLUTION LIABILITY:</b>	<b>Each Pollution Condition</b> \$10,000	
<b>VI. CLEANUP COSTS – YOUR LOCATION:</b>	<b>Each Pollution Condition</b> \$10,000	

- A. With respect to **I. COMMERCIAL GENERAL LIABILITY** and **II. MONOLINE PRODUCTS/COMPLETED OPERATIONS LIABILITY** above, the Deductible Amounts indicated in the Schedule shown above, apply as follows:
- Each Claim** – If the deductible applies on an Each Claim basis, the Deductible Amount applies under Bodily Injury Liability or Property Damage Liability Coverage, respectively, to all payments made (“damages” or “defense expenses”) because of “bodily injury” sustained by one person, or to all “property damage” sustained by one person or organization, as the result of any one “occurrence”.
  - Each Occurrence** – If the deductible applies on an Each Occurrence basis, the Deductible Amount applies under the Bodily Injury Liability or Property Damage Liability Coverage, respectively, to all payments made (“damages” or “defense expenses”) because of all “bodily injury” or “property damage” as the result of any one “occurrence”.
- B. With respect to **III. CONTRACTORS POLLUTION LIABILITY**, **V. THIRD PARTY POLLUTION LIABILITY** and **VI. CLEANUP COSTS – YOUR LOCATION** above, the Each Pollution Condition Deductible Amounts indicated in the Schedule shown above apply once to each “pollution condition” and can be applied either for “defense expenses”, where applicable, settlement, payment of judgment(s) or any combination thereof, if applicable.



- C. With respect to **IV. ERRORS AND OMISSION LIABILITY** above, the Each Claim Deductible Amount indicated in the Schedule shown above applies once to each "wrongful act" and can be applied either for "defense expenses", settlement, payment of judgment(s) or any combination thereof, if applicable.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## TOTAL MOLD EXCLUSION

This endorsement modifies insurance provided under the following:

CONTRACTORS POLLUTION LIABILITY COVERAGE PART  
ERRORS AND OMISSIONS LIABILITY COVERAGE PART  
THIRD PARTY POLLUTION LIABILITY COVERAGE PART

A. **SECTION II – ADDITIONAL EXCLUSIONS** is amended by the addition of the following:

This Policy does not apply to any "claim" based upon or arising out of "mold".

B. The **ADDITIONAL DEFINITIONS** Section is amended by the addition of the following:

"Mold" means any permanent or transient fungus, mold, mildew or mycotoxin, or any of the spores, scents, or byproducts resulting therefrom regardless of whether they are proved to cause disease, injury or damage.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **MOLD GIVEBACK DEFINITION**

This endorsement modifies insurance provided under the following:

**CONTRACTORS POLLUTION LIABILITY COVERAGE PART**

### **SCHEDULE**

Mold – Each Pollution Condition Limit:	\$
Mold – Aggregate Limit:	\$
Mold Deductible Amount:	\$

(If no entry appears above, the Limits of Insurance shown in the Declarations will apply.)

- A. As respects the coverage afforded by this Endorsement, the maximum amounts for which we are liability for "claims" relating to "mold" are the limits of insurance indicated in the Schedule shown above.
- B. The Mold – Each Pollution Condition Limit and the Mold – Aggregate Limit indicated in the Schedule shown above are subject to and not in addition to the Contractors Pollution Liability Each Pollution Condition Limit and the Policy Aggregate Limit stated in the Declarations.
- Payments under the Mold – Each Pollution Condition Limit and Mold – Aggregate Limit indicated in the Schedule shown above are part of and erode the Contractors Pollution Liability Each Pollution Condition Limit and the Policy Aggregate Limit stated in the Declarations.
- C. The Mold Deductible Amount indicated in the Schedule shown above applies once to each "pollution condition" resulting in "mold" and can be applied either for "defense expenses", where applicable, settlement, payment of judgment(s) or any combination thereof, if applicable.
- D. The definition of "pollutants" within the **ADDITIONAL DEFINITIONS** Section is deleted in its entirety and replaced with the following:
- "Pollutants" means, but is not limited to, any solid, liquid, gaseous, thermal, biological or radioactive substance, material or matter, irritant or contaminant including smoke, vapors, soot, fumes, acids, alkalis, chemicals and waste. "Pollutants" also includes "mold".
- E. The **ADDITIONAL DEFINITIONS** Section is amended by the addition of the following:
- "Mold" means any permanent or transient fungus, mold, mildew or mycotoxin, or any of the spores, scents, or byproducts resulting therefrom regardless of whether they are proved to cause disease, injury or damage.

**ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.**

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## ADDITIONAL INSURED – OWNERS, LESSEES OR CONTRACTORS

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
CONTRACTORS POLLUTION LIABILITY COVERAGE PART  
ERRORS AND OMISSIONS LIABILITY COVERAGE PART  
THIRD PARTY POLLUTION LIABILITY COVERAGE PART  
CLEANUP COSTS – YOUR LOCATION COVERAGE PART

### SCHEDULE

Name Of Additional Insured Person(s) or Organization(s):
Where Required By Written Contract
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.

**SECTION III – WHO IS AN INSURED** within the Common Policy Provisions is amended to include as an insured the person(s) or organization(s) indicated in the Schedule shown above, when you and such person(s) or organization(s) have agreed in writing in a contract or agreement that such person(s) or organization(s) be added as an additional insured on your policy. Such person(s) or organization(s) is an additional insured only with respect to liability caused, in whole or in part, by "your work" for that insured by you, or by those acting on your behalf.

A person's or organization's status as an additional insured under this Endorsement ends when their contract or agreement with you ends.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## COVERAGE RESTRICTION TO RELEASE FROM SCHEDULED ABOVEGROUND STORAGE TANKS

This endorsement modifies insurance provided under the following:

CLEANUP COSTS – YOUR LOCATION COVERAGE PART

### SCHEDULE

Aboveground Storage Tank – Each Pollution Condition Limit:	\$5,000,000
Aboveground Storage Tank – Aggregate Limit:	\$5,000,000
Aboveground Storage Tank Deductible Amount:	\$10,000

A. **SECTION I – INSURING AGREEMENT** is deleted in its entirety and replaced with the following:

#### **SECTION I – INSURING AGREEMENT**

##### **Insuring Agreement G – Cleanup Costs – Your Location**

1. We will pay, in excess of the Deductible indicated in the Schedule shown above, those sums the insured becomes obligated to pay as “cleanup costs” arising out of a “pollution condition” to which this insurance applies. The amount we will pay for “cleanup costs” is limited as described in B. below.
2. This insurance applies to “cleanup costs” only if all of the following conditions are met:
  - a. No common fact, incident, circumstance, or “pollution condition” was reported under any prior policy or disclosed in the application for this Policy;
  - b. The “pollution conditions” result from a release of contents from any of the aboveground storage tanks at, on or within your specified “location(s)” scheduled on an endorsement attached to this Policy;
  - c. The “cleanup costs” arise out of a “pollution condition” that exists at, on or within your “location(s)” within the “coverage territory”;
  - d. The “pollution condition” begins after this Policy’s effective date or Retroactive Date, if applicable, and before the end of the “policy period”; and
  - e. The request for “cleanup costs” is made to us in writing in accordance with the provisions set forth in **SECTION III – ADDITIONAL CONDITIONS** within this Coverage Part, during the “policy period”.

B. The Aboveground Storage Tank – Each Pollution Condition Limit and the Aboveground Storage Tank – Aggregate Limit indicated in the Schedule shown above are subject to and not in addition to the Policy Aggregate Limit shown in the Declarations.

Payments under the Aboveground Storage Tank – Each Pollution Condition Limit and Aboveground Storage Tank – Aggregate Limit indicated in the Schedule shown above are part of and erode the Policy Aggregate Limit shown in the Declarations.

C. Solely as respects the coverage afforded by this Endorsement, the Aboveground Storage Tank Deductible Amount indicated in the Schedule shown above applies once to each “pollution condition” and can be applied either for “defense expenses”, where applicable, settlement, payment of judgment(s) or any combination thereof, if applicable.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## LOADING OR UNLOADING OF WATERCRAFT AND AUTOMOBILES AT COVERED LOCATION(S)

This endorsement modifies insurance provided under the following:

THIRD PARTY POLLUTION LIABILITY COVERAGE PART  
CLEANUP COSTS – YOUR LOCATION COVERAGE PART

### SCHEDULE

\$10,000 Each Pollution Condition
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- A. The Deductible Amount indicated in the Schedule shown above applies to the coverage afforded by this Endorsement.
- B. Solely as respects the coverage afforded by this Endorsement, **SECTION V – COMMON EXCLUSIONS, 1. Aircraft, Auto Or Watercraft** within the Common Policy Provisions is deleted in its entirety and replaced with the following:

This Policy does not apply to any "claim":

**1. Aircraft, Auto Or Watercraft**

Based upon or arising out of any liability arising out of the ownership, maintenance, use or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured.

However, with respect to watercraft and "autos" only, this exclusion does not apply to "loading or unloading" operations performed within the legal boundaries of the specified "location(s)" scheduled by endorsement to this Policy.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

**THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.**

## **CANCELLATION BY US**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
CONTRACTORS POLLUTION LIABILITY COVERAGE PART  
ERRORS AND OMISSIONS LIABILITY COVERAGE PART  
THIRD PARTY POLLUTION LIABILITY COVERAGE PART  
CLEANUP COSTS – YOUR LOCATION COVERAGE PART

The first paragraph of **3. Cancellation And Nonrenewal** in **SECTION VI – COMMON CONDITIONS** within the Common Policy Provisions is deleted in its entirety and replaced by the following:

This Policy may be cancelled by the First Named Insured by surrender thereof to us or by mailing to us written notice stating when thereafter the cancellation shall be effective. We may cancel or nonrenew this Policy by mailing a written notice to the First Named Insured at the address shown in the Declarations of this Policy. The mailing of notice of cancellation shall be sufficient notice and the effective date of cancellation stated in such notice shall become the end of the "policy period".

The effective dates of such cancellation shall be not less than 30 days (ten (10) days for non-payment of premium) following mailing of the notice of cancellation to the First Named Insured. The time of surrender or the effective date of cancellation stated in the notice shall become the end of the "policy period".

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## **PUNITIVE DAMAGES WHERE ALLOWABLE BY LAW**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
CONTRACTORS POLLUTION LIABILITY COVERAGE PART  
ERRORS AND OMISSIONS LIABILITY COVERAGE PART  
THIRD PARTY POLLUTION LIABILITY COVERAGE PART

- A. **SECTION II – ADDITIONAL EXCLUSIONS, 1.** within the Commercial General Liability Coverage Part is amended by the addition of the following:

This Policy does not apply to any "claim":

### **Punitive Damages**

For punitive, exemplary or the multiplied portion of multiplied damages. However, this exclusion will not apply to punitive damages where allowable by law.

- B. **SECTION II – ADDITIONAL EXCLUSIONS, 7. Punitive Damages** within the Contractors Pollution Liability Coverage Part is deleted in its entirety and replaced by the following:

This Policy does not apply to any "claim":

### **7. Punitive Damages**

For punitive, exemplary or the multiplied portion of multiplied damages. However, this exclusion will not apply to punitive damages where allowable by law.

- C. **SECTION II – ADDITIONAL EXCLUSIONS, 6. Punitive Damages** within the Errors And Omissions Liability Coverage Part is deleted in its entirety and replaced by the following:

This Policy does not apply to any "claim":

### **6. Punitive Damages**

For punitive, exemplary or the multiplied portion of multiplied damages. However, this exclusion will not apply to punitive damages where allowable by law.

- D. **SECTION II – ADDITIONAL EXCLUSIONS, 9. Punitive Damages** within the Third Party Pollution Liability Coverage Part is deleted in its entirety and replaced by the following:

This Policy does not apply to any "claim":

### **9. Punitive Damages**

For punitive, exemplary or the multiplied portion of multiplied damages. However, this exclusion will not apply to punitive damages where allowable by law.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.



THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## PRIMARY AND NON-CONTRIBUTORY ADDITIONAL INSURED WITH WAIVER OF SUBROGATION

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
CONTRACTORS POLLUTION LIABILITY COVERAGE PART  
ERRORS AND OMISSIONS LIABILITY COVERAGE PART  
THIRD PARTY POLLUTION LIABILITY COVERAGE PART

### SCHEDULE

Name Of Additional Insured Person(s) or Organization(s):
Where Required By Written Contract

- A. **SECTION III – WHO IS AN INSURED** within the Common Policy Provisions is amended to include as an additional insured the person(s) or organization(s) indicated in the Schedule shown above, but solely as respects “claims” caused in whole or in part, by “your work” for that insured by you, or by those acting on your behalf.

This insurance shall be primary and non-contributory, but only in the event of a named insured’s sole negligence.

- B. We waive any right of recovery we may have against the person(s) or organization(s) indicated in the Schedule shown above because of payments we make for “damages” arising out of “your work” performed under a designated project or contract with that person(s) or organization(s).
- C. This Endorsement does not reinstate or increase the Limits of Insurance applicable to any “claim” to which the coverage afforded by this Endorsement applies.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## **INDEPENDENT CONTRACTORS CONDITIONAL EXCLUSION**

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
CONTRACTORS POLLUTION LIABILITY COVERAGE PART

**SECTION II – ADDITIONAL EXCLUSIONS** is amended by the addition of the following:

This Policy does not apply to any "claim":

### **Acts By Independent Contractors**

Alleging "bodily injury" or "property damage" arising out of any act of any of your Independent Contractors unless all of the following conditions are met:

1. You obtain certificates of insurance from all Independent Contractors providing evidence of:
  - a. Limits of liability equal to or greater than the coverages provided by this Policy;
  - b. Commercial General Liability coverage and/or Contractors Pollution Liability coverage equal to or broader than the coverages provided by this Policy;
  - c. Workers Compensation Insurance in compliance with the statutes of the applicable states; and
  - d. Independent Contractors must name the Named Insured of this Policy as an additional insured in the above-referenced insurance policies.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## TRANSPORTATION POLLUTION LIABILITY BLANKET ENDORSEMENT

This endorsement modifies insurance provided under the following:

CONTRACTORS POLLUTION LIABILITY COVERAGE PART

### SCHEDULE

Transportation Pollution – Each Pollution Condition Limit:	\$
Transportation Pollution Aggregate Limit:	\$
Transportation Pollution Deductible Amount:	\$

- A. As respects the coverage afforded by this Endorsement, the maximum amounts for which we are liable for "claims" relating to transportation pollution is indicated in the Schedule shown above.

The Transportation Pollution – Each Pollution Condition Limit and the Transportation Pollution Aggregate Limit indicated in the Schedule shown above are subject to and not in addition to the Contractors Pollution Liability Each Pollution Condition Limit and the Policy Aggregate Limit stated in the Declarations.

Payments under the Transportation Pollution – Each Pollution Condition Limit and Transportation Pollution Aggregate Limit indicated in the Schedule shown above are part of and erode the Contractors Pollution Liability Each Pollution Condition Limit and the Policy Aggregate Limit stated in the Declarations.

If no limit option is indicated in the Schedule shown above, then the limits of liability stated in the Declarations applicable to this Coverage Part will apply.

- B. Solely as respects the coverage afforded by this Endorsement, the Transportation Pollution Deductible Amount indicated in the Schedule shown above applies once to each "pollution condition" and can be applied either for "defense expenses", where applicable, settlement, payment of judgment(s) or any combination thereof, if applicable.
- C. Solely as respects the coverage afforded by this Endorsement, **SECTION V – COMMON EXCLUSIONS, 1. Aircraft, Auto Or Watercraft** within the Common Policy Provisions is deleted in its entirety and replaced by the following:

The Policy does not apply to any "claim":

#### 1. Aircraft, Auto Or Watercraft

Based upon or arising out of "bodily injury" or "property damage" arising out of the ownership, operation, maintenance, use, or entrustment to others of any aircraft, "auto" or watercraft owned or operated by or rented or loaned to any insured.

However, this exclusion does not apply if the "bodily injury" or "property damage" commence during the operation, maintenance, use, "loading or unloading" of "autos" by or on behalf of the Named Insured.

Notwithstanding the above, coverage is provided only for "autos" which have statutory auto liability coverage in place with a carrier rated "A-(VII)" or higher by A. M. Best.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## LIMITED TERRORISM EXCLUSION (OTHER THAN CERTIFIED ACTS OF TERRORISM)

This endorsement modifies insurance provided under the following:

COMMERCIAL GENERAL LIABILITY COVERAGE PART  
CONTRACTORS POLLUTION LIABILITY COVERAGE PART  
THIRD PARTY POLLUTION LIABILITY COVERAGE PART  
CLEANUP COSTS – YOUR LOCATION COVERAGE PART

A. The following exclusion is added:

### **TERRORISM AND PUNITIVE DAMAGES**

This insurance does not apply to any "claim" arising out of or resulting, directly or indirectly, from:

1. "Other acts of terrorism", including any action taken in hindering or defending against an actual or expected incident of "other acts of terrorism"; or
2. Any act of terrorism:
  - a. that involves the use, release or escape of nuclear materials, or directly or indirectly results in nuclear reaction or radiation or radioactive contamination; or
  - b. that is carried out by means of the dispersal or application of pathogenic or poisonous biological or chemical materials; or
  - c. in which pathogenic or poisonous biological or chemical materials are released, and it appears that one purpose of the terrorism was to release such materials;regardless of any other cause or event that contributes concurrently or in any sequence to the injury or damage out of 1. or 2. above; including
3. Damages arising out of or resulting, directly or indirectly, from 1. or 2. above that are awarded as punitive damages.

B. In the event of an act of terrorism or an "other act of terrorism" that is not subject to this exclusion, coverage does not apply to any loss or damage that is otherwise excluded under this Policy.

C. If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 Billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 Billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

D. The **DEFINITIONS** section is amended and the following added:

"Certified act of terrorism" means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act of 2002. The criteria contained in the Terrorism Risk Insurance Act for a "certified act of terrorism" include the following:

- a. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and

- b. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.

"Other act of terrorism" means a violent act or an act that is dangerous to human life, property or infrastructure that is committed by an individual or individuals and that appears to be part of an effort to coerce a civilian population or to influence the policy or affect the conduct of any government by coercion, and the act is not certified as a terrorist act pursuant to the federal Terrorism Risk Insurance Act of 2002. Multiple incidents of an "other act of terrorism" which occur within a seventy-two hour period and appear to be carried out in concert or to have a related purpose or common leadership shall be considered to be one incident.

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## COVERED LOCATIONS ENDORSEMENT

This endorsement modifies insurance provided under the following:

THIRD PARTY POLLUTION LIABILITY COVERAGE PART  
CLEANUP COSTS – YOUR LOCATION COVERAGE PART

### SCHEDULE

Covered "Location(s)":	Retroactive Date(s):
582 S RIVERSIDE, SEATTLE, WA	06/09/2010

A. The Retroactive Date(s) indicated in the Schedule shown above applies only to the corresponding location indicated in the Schedule shown above.

B. **SECTION I – INSURING AGREEMENT, 1. Insuring Agreement F – Third Party Pollution Liability** is amended by the addition of the following:

This Policy applies to "claim(s)" for "bodily injury", "property damage" or "cleanup costs" resulting from "pollution conditions" that:

1. Exist at, on or emanate from the Covered "Location(s)" indicated in the Schedule shown above; and
2. Begin after this Policy's effective date or the Retroactive Date indicated in the Schedule shown above, and before the end of the "policy period".

C. **SECTION I – INSURING AGREEMENT, 1. Insuring Agreement G – Cleanup Costs – Your Location** is amended by the addition of the following:

This Policy applies to "cleanup costs" resulting from "pollution conditions" that:

1. Exist at, on or within the Covered "Location(s)" indicated in the Schedule shown above; and
2. Begin after this Policy's effective date or the Retroactive Date indicated in the Schedule shown above, and before the end of the "policy period".

ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## POLICY CHANGES

Policy Change Number \_\_\_\_\_

<b>POLICY NUMBER</b> PKC300299	<b>POLICY CHANGES EFFECTIVE</b> 06/09/2010	<b>COMPANY</b> COLONY INSURANCE COMPANY
<b>NAMED INSURED</b> PACIFIC PILE & MARINE, L.P. SALT AIR EQUIPMENT, LLC; BRACKISH PROPERTIES, LLC		<b>AUTHORIZED REPRESENTATIVE</b> NEW DAY UNDERWRITING MANAGERS, LLC
<b>COVERAGE PARTS AFFECTED</b>  CONTRACTOR POLLUTION LIABILITY COVERAGE PART		
<b>CHANGES</b>  IT IS HEREBY UNDERSTOOD AND AGREED THAT EV104-0110-MOLD GIVEBACK DEFINITION ENDORSEMENT - WILL BE PROVIDED ON A CLAIMS MADE BASIS VIA EV0005-0709 - CONTRACTORS POLLUTION LIABILITY COVERAGE PART.  IT IS FURTHER UNDERSTOOD AND AGREED THAT EV103-0609 - TOTAL MOLD EXCLUSION - WILL APPLY TO THE EV0004-0709 - CONTRACTORS POLLUTION LIABILITY COVERAGE PART.  ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.		

\_\_\_\_\_  
Authorized Representative Signature

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

## POLICY CHANGES

Policy Change Number \_\_\_\_\_

<b>POLICY NUMBER</b> PKC300299	<b>POLICY CHANGES EFFECTIVE</b> 06/09/2010	<b>COMPANY</b> COLONY INSURANCE COMPANY
<b>NAMED INSURED</b> PACIFIC PILE & MARINE, L.P. SALT AIR EQUIPMENT, LLC; BRACKISH PROPERTIES, LLC		<b>AUTHORIZED REPRESENTATIVE</b> NEW DAY UNDERWRITING MANAGERS, LLC
<b>COVERAGE PARTS AFFECTED</b>  ERRORS AND OMISSION LIABILITY COVERAGE PART		
<b>CHANGES</b> IT IS HEREBY UNDERSTOOD AND AGREED THAT THE RETROACTIVE DATES FOR THE ERRORS AND OMISSIONS LIABILITY COVERAGE PART ARE AS FOLLOWS:  THE RETROACTIVE DATE FOR LIMITS OF \$1,000,000/\$1,000,000 IS 12/29/2008  THE RETROACTIVE DATE FOR LIMITS OF \$5,000,000/\$5,000,000 IS 05/28/2009.  ALL OTHER TERMS AND CONDITIONS OF THE POLICY REMAIN UNCHANGED.		

\_\_\_\_\_  
Authorized Representative Signature



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## IMPORTANT POLICYHOLDER INFORMATION

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As our policyholder, your satisfaction is very important to us. If you have any questions about your policy, if you need assistance with a problem, or if you have a claim, you should first contact your insurance agent or us.

Please report all claims to our Virginia office:

Switchboard: (804) 560-2000

Toll free: 1-800-577-6614

Fax Number: (804) 560-4834

Electronic reporting: [argoproclaims@argoprou.com](mailto:argoproclaims@argoprou.com)

Mail: Argo Pro Claims  
P.O. Box 85122  
Richmond, VA 23285-5122

This notice is for information only and does not become a part or condition of this policy.



New Day Underwriting Managers LLC • NY: NDU Managers  
CA, MO, NV, UT: NDU Insurance Services LLC • CA Lic#OE69925

## Claims Procedures

Insurance Company: Colony Insurance Company

Insured: Pacific Pile & Marine

Policy Number: PKC300299

Policy Term: 09-JUN-2010 to 09-JUN-2011

Claims should be reported directly to the insurance company in accordance with the policy and/or claims instructions provided by the insurance company. Please send a duplicate copy of your claim notice to New Day to email [info@newdayunderwriting.com](mailto:info@newdayunderwriting.com) or fax to 609-298-6254 (Attention: Claims)

Claims are processed more efficiently if insurance company claims personnel are given notice of any claims.

In the event that you are unable to process claims directly to the insurance company, contact New Day Underwriting Managers.

KNOWLEDGABLE • PROFESSIONAL • RESPONSIVE

33 Third Street, Bordentown, NJ 08505

Toll Free: 877 NDU-8008 Tel: 732 446-1831 Fax: 732 446-6683 [www.newdayunderwriting.com](http://www.newdayunderwriting.com)